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Peace is much more
precious than
a piece of land...



Associated Press

Sadat Asks Carter to Be Fair in Begin Talks

By James Reston

Cairo, March 9 (UPI)—President Anwar Sadat, sounding vaguely apprehensive about next week's Washington meeting with President Carter and Prime Minister Menachem Begin of Israel, said yesterday that he thought the "time has come" for Carter to start his terms of breaking the diplomatic stalemate in the Middle East.

The Egyptian leader said in interview at his residence in a suburb of Cairo, that in view, the United States would now take a "risk" on its possibility as a "partner and a mediator" in the negotiations and he defined his idea of U.S. President's responsibility.

My definition is this: Peace

much more precious than a

piece of land... I should like

Carter to apply what

he already declared in the

1 of human rights and the

acquisition of others' land

force. This is a moral issue.

should like him also to tell

[in the Israeli] that in the

1 of security... we have a

n also of security, because

With Human-Rights Ideals Applied

the United States has provided Israel with the most sophisticated arsenal on earth, in the field of traditional arms."

Mr. Sadat also talked of his differences with Mr. Begin of his dramatic diplomatic tactics and his philosophy of peace, of his fears of resignation and his fears about the Soviet Union's military intrusion in Africa. But he was careful to avoid any threats about breaking off the Middle East negotiations, and he insisted that Israel and the Arab nations must live together as neighbors and that the "peace process" must be "eternal."

Personal Exchange

He said that after it had become clear that Assistant Secretary of State Alfred Atherton's peace mission had not made progress, he communicated with Mr. Begin in the hope of persuading him that they should make a new effort to reconcile their approaches to the problem. But he would not elaborate on this "personal" exchange, which he clearly has hoped would

change Mr. Begin's mind before the Israeli leader's arrival in Washington. All he would say was that Mr. Begin has rejected his entreaties, and he would reply to Mr. Begin's answer within the next few days.

There was a strong indication in the interview that Mr. Sadat—despite his expressed determination not to "let down" the people at home and abroad who have supported his peace effort—has been deeply disappointed and even irritated by Mr. Begin's tactics.

He said he would have "understood" if Mr. Begin had refused to accept him in Jerusalem, on the ground that more time was needed to prepare for such a diplomatic switch. But he said that Mr. Begin had mislaid the public on his (Mr. Sadat's) policy on the Sinai "passes," on the Israeli "settlements" and on Mr. Sadat's promise not to permit Egyptian forces to go beyond the "passes."

The Egyptian also complained that a great opportunity was being lost in not proceeding with this diplomatic opportunity.

Continued on Page 2, Col. 1.

From Occupied Arab Lands

Carter Reasserts Need for an Israeli Pullout

Washington, March 9 (UPI)—

President Carter said that a failure by Israel to abide by a UN resolution for the return of occupied territories would "be a blow to the prospects of

a reversal of what we

are trying to do" in the

East.

He said that the United

asks Pentagon for

billions in arms over

eight years. Page 2.

makes a mediator in the

conflict and that he

intention of pressuring the

Minister Menachem

to arrive here for

consultations.

His decision to sell

to Saudi Arabia and

as well as to Israel, the

said that the deal

is the military balance

that exists in the

East."

Barbaric' Neutron Bomb

March 9 (UPI)—The United Nations, in a move rejected by the Soviet Union, today proposed an international treaty to ban the neutron bomb.

Adrian Fisher, a draft treaty pro-

posed by the Soviet Union, is nei-

ther "cruel and barbaric"

which causes 10 times

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gate Adrian Fisher

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\$12.5 Billion in Next 8 Years

Weizman Asks U.S. for More Arms

By George C. Wilson

WASHINGTON, March 9 (WP).—Israeli Defense Minister Ezer Weizman yesterday pressed his country's case for an additional \$12.5 billion in U.S. arms, but he won no commitment from Defense Secretary Harold Brown.

Pentagon officials said that Mr. Brown heard Mr. Weizman out on subjects ranging from Arab-

over the current U.S. arms flow to Israel.

Carter administration officials believe that the plan overstates Israel's military needs. Mr. Brown told a House Budget subcommittee last week that "Israel remains able through 1982 or 1983, which is as far ahead as you can project, to defeat any combination of the Arab countries."

The context for Mr. Brown's assessment was what would happen if the administration's proposed aircraft package for the Mideast were approved by Congress. That package calls for selling 75 F-16 and 15 F-15 fighter-bombers to Israel, 75 F-5E fighters to Egypt and 60 F-16s to Saudi Arabia.

Mr. Weizman started his day at the Pentagon by receiving a 19-gun salute and reviewing an honor-guard. Then he and his aides lunched with Mr. Brown in the secretary's dining room.

In the ensuing talks which extended through a dinner at the Pentagon, Mr. Brown emphasized the administration's interest "in a high degree of military security for Israel," according to Thomas Ross, a Pentagon spokesman.

But from Mr. Brown's standpoint, defense officials said, the sessions with Mr. Weizman were "largely listening." There were no decisions, no commitments made."

Asked about the charge that he was always talking about the "spirit of peace" and the "objectives" of Arab-Israeli relations but always seemed to avoid the tedious and precise negotiations that might eventually lead to a durable peace, he replied:

"Deliberately Misunderstood"

"Not at all. This is also deliberately misunderstood. When we came to the negotiating process, I said, let us agree on the general lines that will guard our way in the peace process. I didn't say that they should evacuate the land before everything was solved, I said at all. I said that Israel could declare that they are ready to return the land that has been occupied after '87, provided that every party should sit with their right to discuss the security issue, because I recognize that there is a security issue for Israel that should be met."

Mr. Sadat wondered about the effectiveness of Washington's response to the Soviet Cuban intrusion into Africa. He recalled that he had warned the Carter administration last April that Communist aid to Angola was just the beginning of a Soviet threat in Ethiopia. No one believed him then, he said, but the threat was now real, not only to Somalia but to the Sudan, which in turn would be a threat to Egypt if the Communists moved there. He also mentioned vaguely that Moscow was showing some interest in Chad, and, he said, that he had received an "ultimatum" from the Russians not to interfere with Moscow's "African policy."

By demanding a neutron-bomb ban, he added, Moscow is conducting a propaganda campaign which focuses on only one aspect of the East-West confrontation.

Russia Asks N-Bomb Ban

(Continued from Page 1)

manding a ban on the neutron bomb, conveniently fail to mention weapons in the Soviet nuclear arsenal, some of which are 20,000 times more powerful.

Emerson Power

The Communist countries he said, "not surprisingly have said nothing about the SS-20, a new mobile, multiwarhead [European] missile which is capable of striking any target in Europe with great accuracy and enormous destructive power and which is now being deployed in large numbers in the Soviet Union."

"Again, not surprisingly, the Soviet proposal had nothing to say about another new weapons system of devastating capability now being deployed in the European theater: The powerful, nuclear-capable supersonic 'Backfire bomber,'" Mr. Fisher said.

By demanding a neutron-bomb ban, he added, Moscow is conducting a propaganda campaign which focuses on only one aspect of the East-West confrontation.

Pretender Ends Feud With Spanish Throne

MADRID, March 9 (Reuters).—King Juan Carlos and a pretender to the Spanish throne, Prince Carlos Hugo de Borbon Parma, met Tuesday, ending a 150-year-old dynastic feud that provoked three civil wars.

The prince, who was allowed to return from exile in October, had a private audience with the King, a distant cousin, and said afterward: "It was very cordial and I am very satisfied." Prince Carlos Hugo recently said that he no longer had ambitions to occupy the throne.

Arafat Sees Brezhnev

MOSCOW, March 9 (AP).—Soviet President Leonid Brezhnev met today at the Kremlin with Yasir Arafat, head of the Palestine Liberation Organization. Tass reported.

200 Bhutto Supporters Are Reported Held

ISLAMABAD, Pakistan, March 9 (AP).—More than 200 supporters of the Pakistani Peoples party of deposed Prime Minister Zulfikar Ali Bhutto have been arrested in Lahore. It was reported today.

The government accused the detainees of planning disturbances when the verdict is announced in Mr. Bhutto's trial on a murder charge. Mr. Bhutto is accused of ordering the slaying of a political opponent. A verdict in his trial is expected in a week.

Ceausescu Shuffles Romanian Cabinet

BUCHAREST, March 9 (UPI).—President Nicolae Ceausescu Tuesday ordered a thorough reorganization of his Cabinet, promoting Ilie Verdet, a possible successor, and shifting or dropping more than a dozen others, the official news agency, Agerpres, reported.

Mr. Verdet, previously secretary of the Communist party's Central Committee, was named to the new office of his first deputy premier. He was also given the powerful position of chairman of the State Planning Committee.

Moroccan in Moscow

MOSCOW, March 9 (AP).—Moroccan Premier Ahmed Ouanan arrived today for a working visit. He was accompanied by Morocco's ministers of trade and industry, energy and geological prospecting, and phosphate production.

Callaghan to Visit Bonn

LONDON, March 9 (UPI).—Prime Minister James Callaghan will go to Bonn Sunday for talks with West German Chancellor Helmut Schmidt.

18,000 Believed Affected

Food Airlift Aids Stranded Arizona Navajos

By Charles Hillinger

KA KAI LACHEE, Ariz., March 9.—Marie Day, an 83-year-old sheepherder, had trouble getting home Tuesday.

Mrs. Day, a widow, is one of an estimated 18,000 Navajos stranded by mud that covers thousands of square miles of the nation's largest Indian reservation.

The red soil had been saturated by incessant rain, sleet and snow for more than a week.

Hundreds of miles of dirt roads on the reservation are solid mud four to eight feet deep. Nothing moves on the roads, not even vehicles with caterpillar treads.

By Foot, Horseback

The only movement is by foot or on horseback through thick pine and scrub oak forests. Thousands of Indians have been stranded for as long as 10 days. An Indian official called the situation the worst disaster to hit the Navajo in 10 years.

Military helicopters from three states are carrying tons of food, coal, livestock feed and medical supplies to the Indians stranded in Arizona and New Mexico.

Mrs. Day explained how she had left her Hogan and 35 sheep on Monday and walked out for help. "My sheep had no food. There was no food left for me. I had to go," she said.

She walked five miles, wading through mud one to two feet deep, finally coming to a paved

road where she halled a truck.

She was driven to Window Rock, capital of the Navajo nation.

At Window Rock Airport Tuesday, Mrs. Day boarded an Army CH-47 Chinook helicopter to go home to her hungry sheep.

The copter was loaded with 110 burlap sacks, each filled with 65 pounds of food, and with bales of hay for cattle and sheep to be airdropped to the Indians.

Mrs. Day's Hogan, 30 miles southwest of Window Rock by dirt road, was to be the first stop on an all-day mission of flights. It was also her first flight.

She sat stably in the cabin of the Chinook. But about five miles from her home, hydraulic fluid suddenly began to pour from the ceiling of the Chinook, forcing the helicopter to land in a meadow.

It left Mrs. Day with the dilemma of staying in a nearby Hogan or walking the remaining five miles home. The crew of the Chinook helicopter was flown out by an Arizona National Guard.

A dozen helicopters flown by the Army from Fort Carson, Colo., the New Mexico National Guard and the Arizona National Guard flew supplies to the Indians Tuesday.

Mrs. Day explained how she had left her Hogan and 35 sheep on Monday and walked out for help. "My sheep had no food. There was no food left for me. I had to go," she said.

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Asks Back-to-Work Order**President Believes Miners Will Obey Court Injunction**

WASHINGTON, March 9 (AP).—President Carter said today that he expects coal miners and operators to obey the law, and he told Attorney General Griffin Bell to take command of federal enforcement of an anticipated back-to-work order.

Mr. Carter told a news conference that he believes a federal court order under the Taft-Hartley Act will be observed. "I have absolutely no plans to seek congressional action to authorize seizure of the coal mines," he said.

Mr. Carter spoke as government lawyers prepared their arguments for a Taft-Hartley injunction. He said that he also has asked Secretary of Labor Ray Marshall to enlist the labor experts who studied the strike to go into the coalfields and urge the miners to return to their jobs.

Law-Abiding Citizens

Asked what he would do if the miners defied a Taft-Hartley injunction, Mr. Carter said that the order would prevent interference

with resumed mining. "I believe the coal miners to be law-abiding and patriotic citizens," he said, "and I believe that a substantial portion of them, an adequate portion of them, will obey the law."

He also said that even with the strike, coal production is about 60 per cent of its normal level, so if a moderate number of miners go back to work an energy crisis can be avoided.

Justice Department lawyers, acting under the Taft-Hartley Act, asked the U.S. District Court in Washington to order members of the striking United Mine Workers union back to work immediately.

The government also asked for a court order directing coal companies to reopen the mines, idle since the strike began on Dec. 6.

The request was assigned to Judge Anthony Robinson, one of the 12 federal judges who preside in the district. The judge was expected to set a hearing to decide whether to grant the government's request for an injunction.

The government petition asks that the order be directed at 1,450 union entities, coal companies and individuals who were named in the court papers.

Officials said that Mr. Bell planned to be in court when government attorneys argued their case.

Mr. Bell said, "I believe that the miners will obey the law and this includes court orders. I also have every confidence that law enforcement officers in the states concerned will provide adequate and effective protection for those miners returning to work. We are a nation committed to law."

Under the Taft-Hartley Act, Mr. Robinson can order the miners back to work for 90 days and direct both sides to resume good-faith bargaining. Failure to comply could result in fines or prison for contempt of court.

Defiance Expected

Leaders of the 160,000 striking miners and government officials expect widespread defiance of a back-to-work order.

President Carter directed Mr. Bell to seek the order after he received a report on the strike from a board of inquiry that he had created under the Taft-Hartley Act.

The board's report, delivered to the White House earlier today, said that the strike had "reached alarming proportions." The three-member board said, "Already thousands of workers in other industries have been laid off or placed on reduced work schedules and this can only accelerate."

In National Interest

"It is imperative, in the national interest, that the parties find a basis for resolution [of the strike] as expeditiously as possible," it said.

U.S. Turned Down Arms Requests Of 67 Countries

WASHINGTON, March 9 (AP).—The Carter administration turned down more than \$1 billion worth of arms-purchase requests last year from 67 countries, it was disclosed yesterday.

Rep. Clement Zablocki, D., Wis., chairman of the House International Relations Committee, made the disclosure at a subcommittee hearing on U.S. arms sales. But he refused to name the countries involved, saying that the information is classified.

The government does not normally announce its rejections of foreign arms requests because such announcements could be embarrassing to the prospective buyer.

But some rejections have become known, such as the administration's refusal to sell Pakistan more than 100 A-7 jets or to let Israel buy cluster bombs.

Rep. Zablocki said that the United States has an "ongoing military supply relationship" with 48 of the 67 unnamed countries.

4 European Stops Sought by Braniff

DALLAS, March 9 (UPI).—Braniff Airways asked the Civil Aeronautics Board yesterday for emergency permission to fly from Dallas-Fort Worth Airport to four European cities to make up for lost revenue on its stalled London route.

In requesting emergency permission to fly to the alternative destinations—Paris, Frankfurt, Amsterdam and Madrid—Braniff said that it would propose rates based on the low fares planned for the London flight.

Meanwhile, in London, British Caledonian Airways announced today that it was seeking a London-Los Angeles air fare of £29 (\$124.55) one way.

Power Blackout Hits San Diego Residents

SAN DIEGO, March 9 (AP).—A circuit breaker which overloaded on a surge of 138,000 volts cut power to nearly 12 million San Diego County residents, San Diego Gas and Electric Co. spokesman said. It was the area's biggest blackout.

The power was off for just under 4 1/2 hours throughout the area and for several hours longer in some outlying regions, a company spokesman said.

Two-Man Submarine Trapped in North Sea

LERWICK, Shetland Islands, Scotland, March 9 (AP).—A two-man submarine engaged in North Sea oil operations became snagged in a wire and trapped at a depth of nearly 300 feet today, operators said.

The F and O Steam Aviation Co., which is operating the vessel for the U.S. Conoco oil concern, said that it was trapped shortly after noon. "The two men aboard have enough oxygen and food to last eight days," a company spokesman said.

Turkish Student Killed

ANKARA, March 9 (AP).—A student was killed and two were wounded at a local high school here today when a group of gunmen fired on young people standing around the school yard, police said. The gunmen escaped.



FLYING OUT—An airliner taking off from Phoenix, Ariz., airport despite huge chunks of concrete on the main runway. Repairs to runway and taxiway, caused by last week's floods, are expected to cost \$4 million before the airfield is clear.

Gives No Evidence**Author Insists Human Cloning Was Done**

By Harold M. Schmeck Jr.

NEW YORK, March 9 (NYT).—The author who said that he helped arrange the first cloning of a human being insisted yesterday, in his most extensive comments on the matter, that the reproduction was really accomplished. But he still offered no corroborative evidence to support the assertion.

Mr. Bell said, "I believe that the miners will obey the law and this includes court orders. I also have every confidence that law enforcement officers in the states concerned will provide adequate and effective protection for those miners returning to work. We are a nation committed to law."

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The Hotel, London.

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ONE HAMILTON PLACE, HYDE PARK CORNER, LONDON.
TELEPHONE 01-409 5131 TELEX 25853.

Yugoslav Ends U.S. Visit**Carter, Tito Condemn Africa Racism**

WASHINGTON, March 9 (UPI).—President Carter and Yugoslav President Tito condemned racism in southern Africa today and made veiled criticism of Soviet and Cuban intervention in the Horn of Africa.

Both referred to the importance of the forthcoming special UN session on disarmament, which Marshal Tito reportedly will attend when it meets in May.

Marshal Tito, 85, met with Mr. Carter for the second time this week as he ended a three-day visit to the United States.

Following the 90-minute White House meeting, they issued a joint communiqué which:

- Emphasized the need for a peaceful solution to the Ethiopia-Somalia conflict without further outside interference. It did not directly mention that about 13,000 Cuban and Russian military advisers are helping Ethiopia.

- Called for self-determination and majority rule in Southern Africa. They "condemned racism in all forms."

- Expressed "special concern" over continued tensions in the Middle East and agreed on the "urgent need to find a comprehensive, just and lasting solution."

- Territorial integrity.

On Ethiopia and Somalia, the communiqué said, Mr. Carter and Marshal Tito "expressed their belief that the international community should exert greater efforts for securing conditions to maintain the territorial integrity, independence and nonaligned position of these two countries."

Scientists Want Information

NEW YORK, March 9 (NYT).—Three scientists have said that they would demand information from the National Institutes of Health and other federal agencies about any government support of research relating to cloning and genetic engineering.

Scientists, however, continued to express strong doubt that a human cloning had been achieved or that it was even possible under current biological research techniques.

Cloning of Frogs

Cloning, an asexual reproduction achieved by transplanting the nucleus of a donor's cell into a fertile egg cell, has been achieved under special conditions in frogs, but specialists said that they know of no reports of success in mammals, although they said that attempts have been made in laboratory animals.

In cloning, the nucleus of the egg cell is either removed or inactivated so that the cloned progeny develops as a genetically identical copy of the individual that supplied the donor cell.

Mr. Rorvik contested such statements of repeated failure. "My painstaking search of the literature reveals only one paper in the English language that reports upon an effort to clone a mammal," he said.

Unsuccessful Results

Dr. Bernard Talbot of the National Institutes of Health said, however, that he had spoken to several scientists who had made such attempts or knew of others who had done so, but he said that they had not published because the results were unsuccessful.

The first successful cloning in frogs was done about 20 years ago. The procedure involved removing the nucleus from a frog egg and replacing it with the nucleus from a body cell of another frog that served as donor.

It is difficult to use this kind of experiment in mammals, however, because mammalian eggs are far smaller and therefore are a much more difficult target for microsurgery. A frog egg is estimated to be 1,000 times as large as a rabbit egg.

Mr. Rorvik has refused to identify any of the participants in the experiment; he describes to protect their privacy. Apparently they will also remain anonymous in the book, which Lippincott intends to publish March 31, at least two months before its original schedule.

Mr. Rorvik said yesterday that he took strong issue with those who asserted that human cloning is still out of scientific reach. He said, "A refinement of existing cell-fusion techniques was used in

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But People Seem Indifferent**Vote Struggle Goes On in Guatemala**

By Alan Riding

GUATEMALA CITY, March 9 (NYT).—A power struggle has erupted among conservative military and civilian groups here over the results of the presidential elections last Sunday, although most Guatemalans seem surprisingly indifferent about the outcome.

Offered a choice between three military candidates and apparently still disillusioned by a blatant electoral fraud four years ago, almost 60 per cent of the registered voters abstained while 20 per

cent ruined their ballots to protest the exclusion of a leftist party from the elections.

But political tensions have risen as repeated delays in the announcement of final results have provoked charges of fraud by the three candidates. All have vowed to "defend" their victory.

Offices Seized

One, Col. Enrique Peralta Azurdia of the National Liberation Movement, temporarily seized the offices of the electoral council Tuesday with 250 armed supporters to press his claim to victory.

Yesterday, the council was protected by soldiers and policemen.

Amid the confusion, Gen. Romeo Lucas García, nominated by a centrist coalition, appeared yesterday to be winning. After a second recount, the electoral council announced at noon that with about three-quarters of the vote counted Gen. Lucas had 173,287 votes, Col. Peralta Azurdia 163,068 and Gen. Ricardo Peralta Méndez of the Christian Democratic party 124,053.

Since no candidate has won 50 per cent of the votes, the successor to President Efraim Laugard García will be formally chosen by Congress. In past elections it has always endorsed the candidate with the most votes.

1974 Fraud

Unlike the 1974 elections, when the government resorted to fraud to insure Gen. Laugard's victory over a popular leftist candidate, Gen. Estrada Rios Montt, there so far has been no evidence of large-scale ballot-rigging. Rather, the current political crisis appears to reflect the deep division in the conservative military and civilian groups that brought Gen. Laugard to power.

The general's running mate, Mario Sandoval Alarcón of the National Liberation Movement, arranged the fraud in 1974 with the support of the army. But since then, the President has moved both the government and army toward the political center, isolating and alienating Mr. Sandoval, who decided to run his own right candidate in Sunday's election.

The struggle for office between Gen. Lucas and Col. Peralta Azurdia therefore stems from the confrontation between the President and Vice-President. Although Gen. Lucas enjoys the sympathy of the army, Col. Peralta Azurdia is benefiting from Mr. Sandoval's political experience and his effective control of the electoral registry.

As a result, since there were no leftist or reformist candidates for the presidency, the main political significance of the elections could be the exclusion of Mr. Sandoval and his ultraconservative party from power and influence for the first time in more than two decades.

Tanzania Fears Cholera Spread

DAR ES SALAAM, March 9 (UPI).—More than 400 persons have died since a cholera outbreak began in Tanzania last winter and health authorities now fear a major outbreak here in the capital.

Officials earlier this week closed all primary and secondary schools in Dar es Salaam "until further notice" and school authorities yesterday confirmed they will remain shut until the threat of cholera has totally disappeared.

Tanzania had been virtually cholera free until the current outbreak began in November.

Samy Mohammed Qatari, 28, and Zayed Hussein Ahmed Alali, 26, are being tried for the Feb. 18 slaying of Yousef Sebai, editor in chief of Cairo's Al-Ahram.

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181 ave. Charles de Gaulle, 92200 Neuilly-sur-Seine, France.

Associated Press
In Siberia, winter is long and children are prepared.**Obituaries****Henry Wriston, 88, Educator, Adviser to U.S. Government**

NEW YORK, March 9 (NYT).—Dr. Henry M. Wriston, 88, president of Brown University from 1937 to 1965 and a principal adviser in the reorganization of the nation's Foreign Service in 1964, died yesterday morning at a hospital after a long illness.

Dr. Wriston became president emeritus of Brown after his retirement, and later served as president and chairman of the American Assembly, a nonpartisan group affiliated with Columbia University and devoted to the study of public issues. The assembly, composed of scholars, businessmen and government officials, held frequent conferences under Dr. Wriston's leadership on subjects ranging from population control to promotion of the arts.

Dr. Wriston, who called himself "a perpetually dissatisfied Republican," headed a committee formed by former Secretary of State John Foster Dulles in 1954 to reorganize and increase the efficiency of the diplomatic corps.

The group recommended an increase in pay and allowances, removal of "deadwood" from the corps and other measures to enhance the prestige of the nation's ambassadors.

Among the many positions that Dr. Wriston held were trustee of the World Peace Foundation, a fellow of the American Academy of Arts and Sciences, president of the Council on Foreign Relations and a governor of the New York Stock Exchange. He was the recipient of 31 honorary degrees.

Break in Tradition
Before Dr. Wriston, all of Brown's presidents except for the first had been Brown alumni and Baptists. Dr. Wriston was a Methodist and an alumnus of Wesleyan University.

He graduated from Wesleyan in 1911 and went on to take Master's and PhD degrees at Harvard. He was appointed an instructor in history at Wesleyan and became a full professor in 1919.

After 11 years at Wesleyan he became president of Lawrence College in Appleton, Wis., in 1925, at the age of 35. In 1937, he became the 11th president of Brown.

In the 1930s he was a critic of the Roosevelt administration for what he called "administrative and legislative injustice" to business and industry in favor of labor unions. In the same decade and thereafter Dr. Wriston was a leader of the fight against loyalty oaths in American education.

In 1960, President Dwight Eisenhower named Dr. Wriston chairman of a presidential commission on national goals. With other members of that panel, including Dr. James Conant, the former president of Harvard; Learned Hand, the jurist; George Meany, the labor leader; Clark Kerr, president of the University of California, and Colgate Darden Jr.,

Gordon E. Cox
VIENNA, March 9 (UPI).—Canadian Ambassador Gordon E. Cox, delegate to the裁军 reduction talks in Vienna, died yesterday after being run over by a train, the Canadian Embassy announced today.

Adm. John Hall
WASHINGTON, March 9 (WPB).—Adm. John Leslie Hall Jr., 86, an amphibious commander in World War II, died Monday in Scottsdale, Ariz.

Pravda Attacks China 'Distortion'
MOSCOW, March 9 (Reuters).—Pravda today attacked China for increasing its propaganda against the Soviet Union and said that the Peking leaders were relying on anti-Sovietism to help resolve their internal problems.

China is producing more anti-Soviet propaganda than ever, the Communist paper said. In the first two months of this year a Chinese newspaper published more than 100 articles "crudely distorting the Soviet Union's home and foreign policy," it said.

"The strengthening of propaganda against the Soviet Union shows above all that anti-Sovietism remains one of the basic means by which Chinese leaders hope to solve their extremely complex internal political problems," Pravda said.

Passion Play Traditionalists Win Elections
OBERAMMERGAU, West Germany, March 9 (AP).—Supporters of a passion play script denounced abroad as anti-Semitic have won local elections in this Bavarian village and are expected to reinstate the traditional version of the famous drama.

In the balloting this week, former Mayor Ernst Zwickl, a leading opponent of a revised script adopted last month by the outgoing council, won the mayoralty, with 71.9 per cent of the vote. Ulli Strahl, who supported the revised text, got 26 per cent.

Opponents of the revised script, which eliminates references to the collective guilt of Jews for the death of Jesus, captured 12 of the 17 council seats.

"I am convinced that the new council will lift the decision to reform," Mr. Zwickl said. The choice of a script for the 1980 passion play was the major issue in the election campaign for the town's 3,544 voters.

Kidnapped Frenchman Is Alive, Manila Says
BASILAN ISLAND, the Philippines, March 9 (Reuters).—French Culture Ministry official Pierre Huguet, 50, kidnapped by Muslim rebels for \$150,000 ransom, is alive and well, a local military commander said Tuesday.

The commander confirmed that the Manila government had offered an amnesty to the kidnappers for Mr. Huguet's release, but added:

"If they harm him, we will go after them and they will be fugitives for life."

OPEC Meeting Is Set
BAGHDAD, March 9 (AP-DJ).—The Organization of Petroleum Exporting Countries will hold an informal meeting in Geneva on April 3, the Iraq News Agency reported yesterday.

Long Winters, Little Rain**Nature a Major Handicap for Siberia Farm**

By Craig R. Whitney

CHIK, U.S.S.R. (NYT).—Winter buries the 75,000 acres of Chik state farm under a sea stretch whose undulating swells stretch endlessly across the Siberian plain. The snow started falling in October; it will not melt until next month.

At this time of year it is hard not to believe that Soviet agriculture would probably lurch from feast to famine even without the problems of forced collectivization.

On a recent day when the temperature stood at a "quite normal" zero-degree Fahrenheit reading, Alexander Kuznetsov, deputy director of the farm, described this region—two days' journey from Moscow on the Trans-Siberian Railroad—as a "marginal agricultural zone."

"We do not have enough rainfall," he explained, "only 12 to 14 inches a year, and most of that usually falls in August and September, in the middle of the harvest."

As in most of the Soviet Union, farmers here have only 20 days to bring in the crops before the soil turns hard as rock under the frost. If the rainfall occurs during those 20 days, it spoils the harvest; where the rains are more plentiful, the land is less

arable.

Drought Year

Last year was a bad year, Mr. Kuznetsov said. "We had a drought"—and the flat fields produced 19 bushels of spring wheat an acre although the farm's five-year plan had forecast 27 bushels an acre, which would have brought Chik up to the productivity in the grain belt of North Dakota.

The grain harvest last year fell below 195.5 million metric tons, more than 38 million less than 1976. About 12 per cent of the crop is grown here in Siberia; about a third of the rest was spoiled by rains in Kazakhstan, which begins a few hundred miles south of here. Officials are trying to make up for the losses by buying grain from the United States—at least 8 million tons so far.

Chik is a model farm—the Russians did not bring a group of Western correspondents here to show them what was wrong with agriculture under Communism and a lot of what is certainly the weather. Long before Communism and collective farm-

Sir Roy Harrod

HOLT, England, March 9 (AP).—Sir Roy Harrod, 78, one of Britain's foremost economists and a former economic adviser to the International Monetary Fund, has died at his home here, it was announced today.

He was adviser to the IMF in 1953-55.

His academic affiliation with Oxford University spanned 46 years from 1921 to 1967 and brought him honorary doctorates from the universities of Pennsylvania, Poltava in France, Stockholm and Glasgow. Four times—in 1954, 1957, 1959 and 1970—he was visiting professor at the University of Pennsylvania.

Crew Member Killed in Attack On China Plane

HONG KONG, March 9 (UPI).—A flight engineer who apparently tried to hijack a Boeing 737 jetliner enroute from Kaohsiung, Taiwan, to Hong Kong tonight was killed by a security guard aboard the plane.

The pilot and co-pilot were injured when the engineer attacked them in the cockpit of the China Airlines plane carrying 82 passengers and 9 crew members.

"I don't know who landed the plane but I'm thankful someone did," a passenger said.

"We have no idea where the hijacker wanted to go," a government spokesman said.

Another spokesman said the flight engineer, identified by airline officials as Shih Min-heng, 34, waving a hammer and scissors, apparently tried to seize the plane shortly before it landed in Hong Kong.

Foreign Minister Accused in Mali

BAMAKO, March 9 (Reuters).—Mali's foreign minister has been arrested and accused of involvement in an attempted coup by three other senior government members arrested 10 days ago, Mali radio said today.

The announcement of Col. Charles Sanou Cissoko's arrest was the first time that Mali has mentioned a coup attempt as the reason for last week's roundup.

Mal President Moussa Traore said last week that the defense minister and security minister, Kissima Doukara, the transport and public works minister, Karim Dembele, and security chief Tiecore Bakayoko had been charged with high treason. Diplomatic sources have said the three represented the pro-Soviet element in the government.

Dutch Replace Defense Minister

THE HAGUE, March 9 (UPI).—Premier Dries van Agt Tuesday named Willem Scholten as defense minister following the resignation of his predecessor in a row over the neutron bomb.

Former Defense Minister Roelof Kruijsenaar quit the Cabinet Saturday in disagreement over the government's position on an option on the neutron weapon should be kept open as a bargaining point in the Strategic Arms Limitation Talks.

Mr. Kruijsenaar, a Christian Democrat, said he was opposed to the weapon not only on personal grounds but because his party had rejected its deployment as part of its electoral campaign. Mr. Scholten is also a Christian Democrat.

Heads of Turkey, Greece Arrive For Swiss Talks

MONTREUX, Switzerland March 9 (UPI).—The Premier of Greece and Turkey arrived here today for a two-day meeting aimed at resuming negotiations on the Cyprus issue and the dispute between their two countries.

Constantin Caramanis, Greek and Bulent Ecevit, Turkey's scheduled private talk for tomorrow and Saturday, will be the first time that the two men have met.

On arrival, Mr. Ecevit said that there was no agenda for the talks and that there would be any concrete agreements at this stage.

"I hope that by establishing dialogue at high political level we will re-establish an atmosphere of confidence and friend ship," Mr. Ecevit said.

In addition to the Cyprus issue, the two leaders will examine Greek-Turkish disputes over territorial rights in the Aegean Sea, and their respective minorities—Greeks in Turkey and Turks in Greece.

Kidnapped Frenchman Is Alive, Manila Says

BASILAN ISLAND, the Philippines, March 9 (Reuters).—French Culture Ministry official Pierre Huguet, 50, kidnapped by Muslim rebels for \$150,000 ransom, is alive and well, a local military commander said Tuesday.

The commander confirmed that the Manila government had offered an amnesty to the kidnappers for Mr. Huguet's release, but added:

"If they harm him, we will go after them and they will be fugitives for life."

10. The voices of children.

(Another good reason to call home.)

“An international call is the next best thing to being there.

THEATER IN PARIS

Goldoni Makes Case for Women's Rights

By Thomas Quinn Curtiss

PARIS, March 9 (IHT)—Claude Sanelli's staging of Goldoni's "Les Rustes" (at the Théâtre de la Michodière) is an exemplary production of a classic. It neither overemphasizes the picturine 18th-century Venetian setting so that the play is drowned in "fantastic pageantry," nor does it distort the text with "modernizing" directorial anarchy so that it becomes indistinguishable from a revival of "Hellzapoppin."

Goldoni, like most reformers, had to leave home and, like many of them, he came to Paris. He revolutionized the Italian theater by taking Molière as his model and by turning his back on the improvised commedia dell'arte and the farce-tale fantasies of his brilliant contemporary, the exultant Godot. Every good deed is rewarded with its punishment and for his innovations Goldoni was showered with abuse and the playhouse intrigues grew so thick and hot that he moved to France.

This strategy proved sagacious. He soon had the support of the king and court and his countrymen, sabbatical impressed, accepted his work and have treasured him ever since.

He was not an exceptionally humble man, as he confesses in his cheerful, sunny memoirs, but was modest about his writing. He knew his worth, but after a triumphant premiere he would jot down in his notebook: "Good—but not yet Molière." His admirers dubbed him "the Italian Molière," but he was not. In his keen observation of human foibles he emulated his French

master, but his good-natured approach is closer to the gentle Goldoni. It was not in him to write as bitter a satire as "Tartuffe" and his piety would have halted his pen in ridiculing religiosity.

Bucrash Husbands

His aim was humor and his attack on superstitions is largely surface but always funny. In "Les Rustes" he speaks in favor of women's rights, but without the noisy serenity of the present movement. He caricatures a set of buccaneer husbands and lets the case make its own statement, which is done in the name of common sense.

His skill is apparent in his contrasting of various specimens of household tyrants and brutes. There is the ferocious misanthrope who wants to see no one and who longs to be left alone. There is the hapless hubby, milder in temperament, but a drag. He hates going out, has no conversational abilities and politely but significantly conceals his yawning when in society. Another is the household tycoon infatuated when crossed—which is often. They are all distinct individuals. Goldoni drew their portraits 200 years ago, but you have met their kind again and again.

The scene is carnival Venice in the 1750s and the intrigue revolves about a prospective marriage, almost prevented by a gulf. The plot is slender, but it is sufficient for a merry romp and the excellent acting is in the spirit of the occasion.

Michel Galabru is the "heavy" father, determined to maintain law and order and his strong

lond will over his family. His rowdy, full-blooded characterization dominates the evening. Georges Genet is the husband who craves peace and quiet and Pierre Mondy is the bland, sleepy dunderhead. Nelly Bourgaud, Christine Minazzoli and Magali Renouf are ladies bewitched by the good manners and attentions of a nobleman visiting Venice for the festivities.

At the Michodière, "Les Rustes" has verve, style and charm, offering an evening of fine entertainment. . . .

For reasons impossible to decipher, "Hôtel Particulier" has received an elaborate production at the Théâtre de Paris. Raymond Rouleau has directed and has selected a company of 14, all players of the first order, for its interpretation. Why? The feeble excuse for a boulevard sex farce, written by Pierre Chénot, would never have passed muster at the Palais-Royal, even in the off season. Its running joke was time-worn when Plautus used it 2,200 years ago in Rome and it has been employed to more clever purpose since.

An impoverished widow of social standing, beset by creditors, accepts an offer to rent her mansion on certain afternoons. Her home becomes a brothel and learning this, she enters into the profitable affair.

The complications and the misidentifications of the situation involved may be imagined and they have been imagined more amusingly by countless playwrights. An American variation of the general theme, "Lost Sheep," portrayed

a clergymen with three attractive young daughters renting a former sporting-house to which the former customers continued to arrive, mistaking the girls for a fresh shipment of prostitutes.

Among those enlisted to give the seedy Chénot script a boost by their presence are Micheline Lancelot as the mistress of the house, Constance Marchand as the madame who leads her astray, Jacques Castelot as an aristocrat, Ginette Grégorie as an awkward call girl drafted to double as a parlormaid, Françoise Marie as a neighboring inn

who flits about, Odile Malet, Claude Laydu as an influential sportsman, Charles Joubert as a corrupt police official and Claude Nicolet as an honest suitor who stumbles into the fracas. If there are no better new farces to be found, producers would do better to resurrect some old ones. . . .

Phyllis Roome will open her one-woman show, "Help, Mummy, Help," a vehicle consisting of bilingual sketches and songs, at La Mama du Marais, 10 Rue Ste-Croix de la Bretonnerie on March 15. Curtain time is 8 p.m.

WINE

Paris Artist Scores With Bar-Store

By Jon Winroth

NOISY-LE-ROI, France, March 9 (IHT)—A Parisian artist, Fernand Cohen, and his wife, Josette, have put together here an unusual and very pleasant combination wine store, wine bistro and restaurant.

Les Caves de la Tuilerie is the sort of establishment you might expect to find in a suburban shopping center where everything would be ultramodern and plastic, including the food and wine. Not here.

The Cohens bought a marvelous old building with an ancient undulating tiled roof that stands several hundred meters from the entrance to the Saint-Nom-la-Bretèche golf course. It was formerly an épicerie-buvette (cafégrocery) but it had a nice garden and six months ago they added the place entirely.

They exposed the wooden beams and stone walls, put in a good new kitchen, built a patio with a barbecue in the garden for summertime outdoor dining and brought in a good selection of wines to sell by the bottle or case, at table or in the bar. The idea

caught on quickly with local residents.

The Cohens are friendly and easygoing, and the food and wines are good and reasonably priced. Although Mr. Cohen has no professional training as a cook, the produce is always fresh and seasonal. The dishes are simple and well prepared, some traditional, others more imaginative, such as stuffed squid, raw scallop salad and fish stew.

What makes the triple formula work, Mr. Cohen said, is that "no one has a cellar in modern suburban houses. Clients taste a wine at the table and then take home a case or two on the way out."

"The golf course brings us a lot of clients, including many Americans. After a day of golfing, they stop off for a drink in the bar and take home some wine." The same goes for after biking, another popular way of getting exercise in the suburbs.

The Cohens' wines, all of which are on view in the bar-store, include a good although limited selection of Burgundies and Bordeaux. Two good samples are the Blagnac red Meursault and Château Loudenne red from the Médoc.

The Cahors sells especially well and there are a few unusual and very good wines, such as U Narale, a Corsican wine, and a white Cheverny Sauvignon from the Loire. Most of the Beaujolais growths are available as are a few crus classés from Bordeaux and Château Giscours (Médoc) and Pigeac (Saint-Emilion).

Among the Champagnes is grower Jean Vesselle's outstanding Bouzy blanc de noirs. The 1931 Fine Bois Cognac and 1940 Armagnac are both remarkable.

Les Caves de la Tuilerie, Route Nationale 307, Hamme de la Tuilerie, 78390 Noisy-le-Roi. Reserve for the restaurant (Telephone: 460.90.85). The bar and store are open from 10 a.m. to 3 p.m. and 7 to 11 p.m., the restaurant from noon to 2 p.m. and 7 to 11 p.m. Closed Wednesday.

To drive there from Paris, take the Autoroute de Normandie to the second exit for Versailles. Turn left over the autoroute toward Versailles. Two hundred meters further, turn right onto R.N. 307. Seven Kilometers on this road will bring you to the Hamme de la Tuilerie.

SHARPS AND FLATS

Fats Domino, touring Europe, will be in Amsterdam March 10 at the Jaap Edenhal at 8 p.m. and in The Hague on March 12 for two shows at the Congresgebouw at 7 and 11 p.m.

Charles Aznavour, in a series of one-night stands in the Netherlands, is in Rotterdam March 10 at the Doelen at midnight; in Utrecht the following night at the Congresgebouw at 8 p.m.; in Amsterdam March 13 at the Concertgebouw at 8 p.m., and in The Hague March 14 at the Congresgebouw, also at 8 p.m.

Cab Kaye is in Amsterdam March 10 and 11 at the Jazzland, and in Zoeterwoude March 12 at the Captain's Cabin.

Geneva—Nancy Holloway, just back in Europe from a tour of the Far East, is appearing nightly at the Club 68 with the American group Ice.

The Vince Bennett Quintet, High Plateau will be in Zurich March 10 at the Kursaal and in Biel the following night at the Théâtre de Poche.

LONDON—Renaissance plays the Hammersmith Odeon March 11 at 8 p.m., followed the next night by the Strawbs, also at 8 p.m., and The Manhattan Transfer will be featured at the Palladium from March 13-19.

French premiere March 13 at a concert of the ensemble L'Intransigeante at the Nouveau Carré in Paris. Joel Thoma is the conductor and Mieko Hirayama, Maureen McNauley and Neil Proger the vocal soloists in the program that also includes George Crumb's "Ancient Voices of Children" and Michael Levinas' "Voix dans un Vaisseau d'Abrain."

Alan Bennett's play "Hebebe Corpus" will be presented by the Fontenoy Players, the Unesco English Drama Group, March 15, 16 and 17 at 7 p.m. in the Salle de Cinéma at Unesco, 7 Place de Fontenoy in Paris.

—FRANK VAN BRAKLE.

ARTS AGENDA

Ermanno Wolf-Ferrari's "I Quattro Rusteghi" will be given a new production on March 12 at the Vienna Volksoper, staged by Welt Reinh and with sets and costumes by Peter Hockenbeck and Maxi Tschunko. Franz Bauer-Theussl will conduct a cast headed by Elisabeth Sobota, Nobuko Zeni, Jerome Pruzit, Ernst Gustein and Robert Graizer. Other performances are scheduled for March 19 and April 4.

"Dolce Stil Novo" by Philippe Hersant will be given its first performance and "Pranam I" by Giacinto Scelsi will have its

car. Other countries have tried to copy this certain "Italian feel."

Car makers from all over Europe have tried to hire away Italian designers and engineers.

And many European cars are half-Italian as it is: they're designed by free-lance Italian designers.

Be that as it may, only Italy can produce an Italian car.

And since the whole point of a car is to drive it, shouldn't you be driving an Italian car?

FIAT

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ENTERTAINMENT IN NEW YORK

NEW YORK, March 9 (IHT)—This is how The New York Times critics rate new films and plays:

Films

"Crossed Swords," based on Mark Twain's "The Prince and the Pauper," about the mad mix-up created when Prince Edward, the son of Henry VIII, changes places with a 10-year-old beggar boy look-alike, "contains some stunning views of English palace and countryside, a lot of gaudily fruity lines," according to Vincent Canby. Its star-studded cast includes Charlton Heston as Henry VIII, Rex Harrison as the Roman Catholic Duke of Norfolk, George C. Scott as an ex-monk turned bandit chief, Oliver Reed as the soldier of Fortune Miles Hendon and Raquel Welch as the woman he loves. Mark Lester,

now 18 years old (who played little Oliver in "Oliver!" 10 years ago) "looks silly" in his double role of a 10-year-old prince and pauper. Canby adds that the "elaborate" and "expensive" production, under the direction of Richard Fleischer, has an "atmosphere as tepid and unconvincing as that of a road-company opéraetta."

"A Little Night Music," a movie version of a Broadway adaptation of Ingmar Bergman's "Smiles of Summer Night," manages to "pursue disaster in the manner of someone who, with mindless self-confidence, cuts off the limb he's sitting on," Vincent Canby says. Directed by Harold Prince (who also directed the stage version), with a screenplay by Hugh Wheeler (who wrote it from his own Broadway book), it is a romantic turn-of-the-century masquerade about three mismatched couples who stumble

into more or less perfect happiness on a summer night in the country. Despite the performances of Elizabeth Taylor, Lauren Bacall, Diana Rigg, Lesley-Anne Down, Len Cariou and Christopher Guard, "the sum and substance of the show are not in the characters but in Sondheim's music and lyrics." But, Canby adds, the film has been cast "with people who don't sing very well" and then staged "in such a way that we can't respond to the lyrics."

Plays

"Fingers," which marks the directorial debut of screenwriter James Toback, is about "a man who has no friends and who doesn't deserve any," Janet Maslin says. Harvey Keitel plays the lead role of Jimmy, a sexually troubled character, represented by his mother, hated by his father, whose desire to create a wall against the rest of the world manifests itself in a tendency to carry around a

portable tape deck everywhere he goes, alternately blasting classical music and rock and roll. This restless finger tapper, whose malaise is enough to make Taxman blush," becomes entangled with an "elusive, mysterious" girl, Tina Farron, who "gives a performance of such low wattage she barely seems plugged in." Toback hasn't "put his hero in any kind of dramatic perspective," Miss Maslin adds. And he is "apparently unwilling to explore him in terms more intimate than those of an introductory psychology course."

"Hello, Dolly!" that old classical musical about a flamboyant matchmaker bent on making a match for herself, "is not a revival but a return," according to Richard Eder. Under the direction of Lucia Berlin, "every rhythm, every step of the original has been meticulously re-created." Carol Channing, who has played the role more than 1,500 times, appears again as Dolly Levi. But if her performance is by now "definitely" Lee Roy Reams and Robert Lyndard are full of charm and comic exuberance as Cornelius and Barnaby, the oppressed employees of the Yonkers merchant, Horace Vandelder (Gérard Brachet), who have turned up at the milliner's shop during their spree in town. They are smitten, respectively, with the shop's owner, the Widow Molloy (Florence Lacey) and her assistant (Alexandra Korey). Vandelder, who intends to marry Mrs. Molloy, soon appears, followed by Dolly, who intends to marry him. Though "Dolly" still has "enough charm for a revival," Eder adds that the problem with "re-creating every nuance" is that "more or less as Hercules said, you can't bathe twice in the same flood."

—Produced by the National Theater, 205 W. 45th Street, New York City.

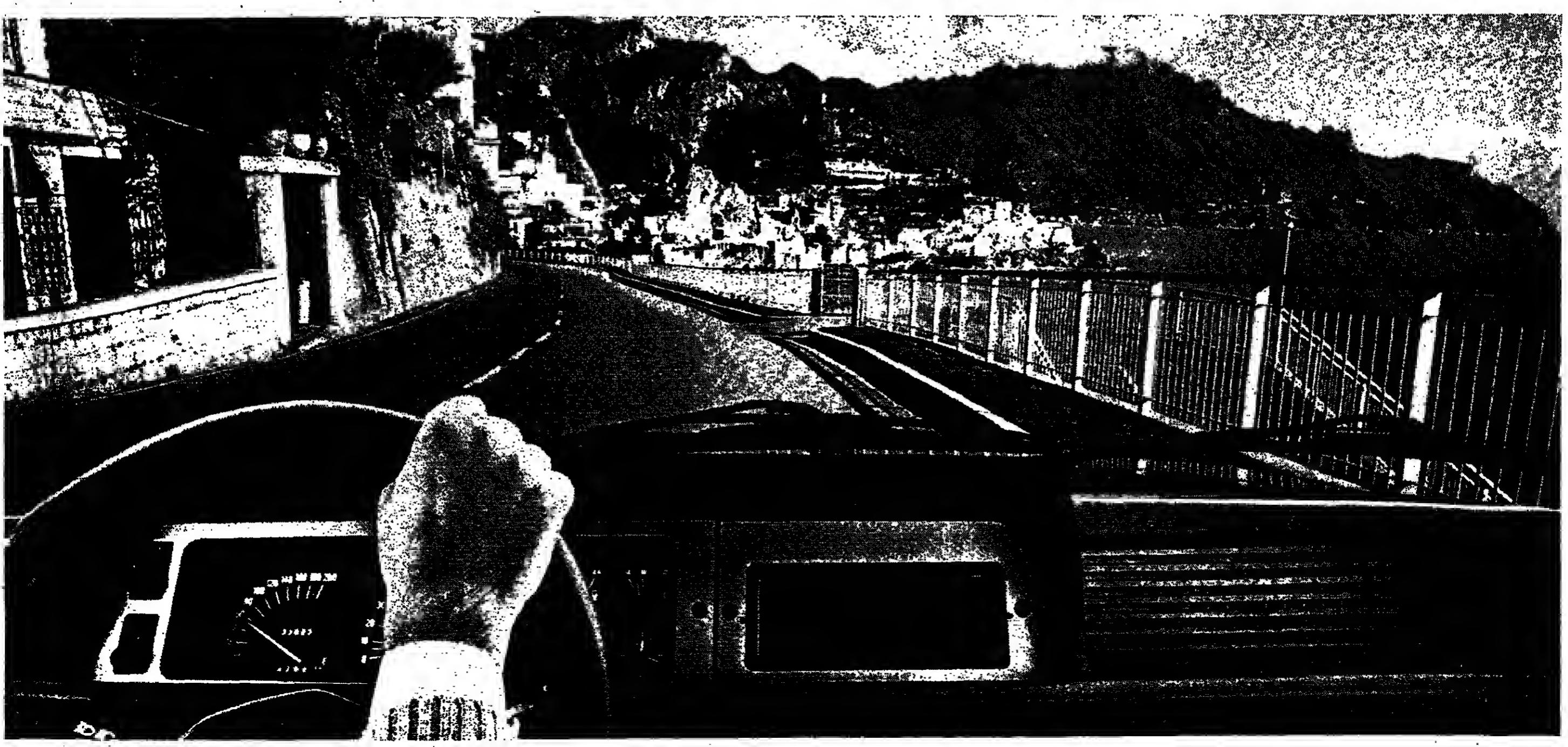
three years for noise test equipment. Through a sophisticated test in which the car's basic units are inspected under a laser beam, we've reduced the amount of interior noise by 50%.

In the area of production quality control, the Fiat 131, for example, can undergo up to 8,000 different inspections. The inspections carried out on each 131 take an average of 9 hours and 20 minutes.

And every Fiat prototype must pass a special rust-resistance test, which simulates 100,000 km of driving under the worst climatic conditions.

Still, the most important thing to us is how the car drives. Because, after all, that's what a car is for.

We've even rejected the entire design of one of our prototypes because it didn't drive like an Italian



The Unpredictable Left

The Communists appear to have won a foothold (but not a seat) in the Italian government. The party north of the Alps is sanguine about its prospects in the imminent French elections, although predicting the outcome of French balloting is one of the more hazardous occupations and the Socialist allies of the Communists are still not on the best terms with them. But the greatest difference between the French and the Italians in this political area is that the Italian official left, including the Communists, is as cautious as the West German Social Democrats or the British Labor party.

It is not easy to say how this distinction occurred. The French left, like that of the rest of the Continent, has had ample opportunity to note that radicalism may not work well in practice; that nationalised industries may be a burden to the taxpayer while private industry produces money for the stockholder, jobs for the worker and national wealth. The Communist example in Europe also has done much to deflate the illusions that sustained the radical left a generation ago.

Moreover, the French have a tradition of

maintaining parties with exciting names and conservative programs—the Radical Socialists, for example. But they have also had, since the Fifth Republic was instituted, predominantly conservative governments. They have certainly worked better than those of Italy, but there are economic stresses now that appear to find outlets in adventurous forms of Socialism and Communism; in hopes for extensive nationalization and broad wage increases.

In any case, the difference between the policies and programs of the parties of Valéry Giscard d'Estaing and Mitterrand is pronounced; between those of the Communists and the Gaullists it is even more so.

In plain fact, however, the French have demonstrated fundamental strength. France remains a political and economic power in its own right—not on some Bourbon, Napoleonic or even Gaullist basis, but one in which a democracy has surmounted obstacle after obstacle, and still presents a rightfully proud Marianne to the world. And that, rather than opinion polls or even votes, is the real gauge for viewing the coming elections with hope for a France eternal.

Unending Human Rights Review

Two and a half years ago, the United States, the Soviet Union and 33 other states endorsed the celebrated "Helsinki final act." It ratified the territorial changes wrought in Europe by World War II, abjured the use of force for settling disputes, and committed the signers to a variety of measures to protect the human rights of their citizens. They also undertook to meet again at Belgrade two years later to assess what they had done—and not done—to make good on their commitments.

The long Belgrade review is now ended. The only formal result of four months of labor is a brief communiqué noting that the delegates met, talked and agreed to another review in Madrid in 1980. To many observers, that meager result demonstrates the futility of the process begun at Helsinki. An honest reckoning, they say, would have noted modest progress in fulfilling some provisions of the Helsinki accord—to make surprise attacks less likely and to facilitate trade and investment—while recording the failure of the Soviet Union and allies to show the promised respect for human rights.

That would, indeed, have been an honest reckoning. But Belgrade should not therefore be written off as useless. It was inconceivable from the outset that Moscow and the Warsaw Pact countries would confess their human rights violations or put their signatures on a closing statement that even hinted of any. The Communist states had reluctantly agreed to include human rights in the Helsinki declaration to obtain formal Western recognition of their World War II frontiers. But they wanted nothing from the

West at Belgrade and felt no need to concede anything.

Still the "thorough exchange of views" mandated at Helsinki occurred at Belgrade. Western delegates were able, over a period of weeks, to detail the ways in which the Communist governments had failed to live up to their commitments, and the Communist representatives had to listen. Even more important was the agreement to meet again in Madrid. The Helsinki accord required only one review. But at the insistence of the West, and particularly the smaller neutral governments, the Communist governments felt impelled to agree to another likely embarrassment in 1980.

Failure to schedule another meeting would have undercut the unofficial "monitoring group" that have been formed in virtually every country to agitate for human rights in the name of the Helsinki pledges. A group headed by Yuri Orlov in the Soviet Union and one called "Charter 77" in Czechoslovakia are the best known, but there are others. For more than two years, the approach to Belgrade gave their courageous members a focus. Now Madrid 1980 will serve similar purpose—and allow the Western governments to keep using the findings of those monitors to document charges of Communist failure.

Helsinki gave every participating nation the right to inquire about human rights abuses by any of the others. By reconfirming that right, Belgrade marks a modest but significant accomplishment.

—From an editorial in The New York Times.

Israel's Debate

The fight in Israel over peace negotiations is the best thing that's happened in the Middle East since Anwar Sadat went to Jerusalem. It shows that Israelis, rather than stanzon pat on a policy that threatens to cost them a perhaps irreplaceable opportunity for peace, are rethinking the hard questions. Note that the argument lies not simply between the ruling Likud and the Labor opposition, but inside the government and, indeed, inside the very faction of the governing coalition to which Prime Minister Begin belongs.

The most striking challenge is that of Defense Minister Ezer Weizman, conceivably a successor to Mr. Begin, who said he would resign if his government permitted the expansion of settlements in occupied territories to go on in defiance of his orders as head of military occupation. True, that does not go directly to the larger question of whether Israel should expect to retain those settlements in a peace agreement. But Israelis are far from unanimous that they should keep those in Sinai, or keep them permanently. And across much of the political spectrum, there is more or less open opposition to the government's recently clarified view that the return of territory contemplated in UN Resolution 242 did not include the West Bank.

The various aspects of the settlement issue are different in substance and in political implications. It is relatively easy for expansion work to be halted at least until Mr. Begin comes to Washington. He's due next week, and if he then agreed to halt work for a longer period, that would be useful but not necessarily conclusive. More important

is the slowly growing recognition that, to keep Anwar Sadat at the peace table, the government should offer both a more forthcoming formula on the Sinai settlements and a position on the West Bank that will let Mr. Sadat draw King Hussein to the table, too. The relevant question for Israel is not whether they would prefer to hang on to the settlements but whether they would prefer to do so at the expense of losing everything that became possible at Jerusalem last year.

The Israeli government, finding the debate painful, will naturally try to fragment and divert it, most likely by appeals to the deep, and diplomacy-paralyzing, security emotions so many Israelis have felt practically since birth. But if, as we suspect, Israel needs at least one rocking internal crisis to concentrate its best judgment, then it is a debate that friends of Israel must urge on.

The U.S. role is to help force the debate, by remaining steadfast in its own view—which we find to be generally a correct and courageous one—of what the peace process requires. Some Israelis, and some U.S. Jews, are tempted to play up the aspect of Israeli-U.S. confrontation inherent in that process. Presumably they think it's a clash that Israel, with its political leverage in this country, can win. We wonder about that, but no matter.

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2. The type of secrets to be protected would be strictly defined, and courts would hold in camera hearings to decide whether the material in a particular case met the definition. These would be adversary proceedings with counsel for the defendant participating.

3. Journalists or other third parties who had the information could not be prosecuted and would be protected from having to disclose, under subpoena, where they got it.

4. The statute would be the exclusive way to proceed against disclosure of intelligence sources and techniques. It would also end any obligation to submit manuscripts for clearance; but if an ex-employee submitted one voluntarily and it was cleared, he could not be prosecuted.

Colby, who now practices law in Washington, was asked why he had turned against the contract theory. He said: "It really isn't very dignified—using contract law to protect secrets." He made clear that he also thought it was ineffectual, because publishers often got around it.

THE WASHINGTON POST.

In the International Edition

Seventy-Five Years Ago

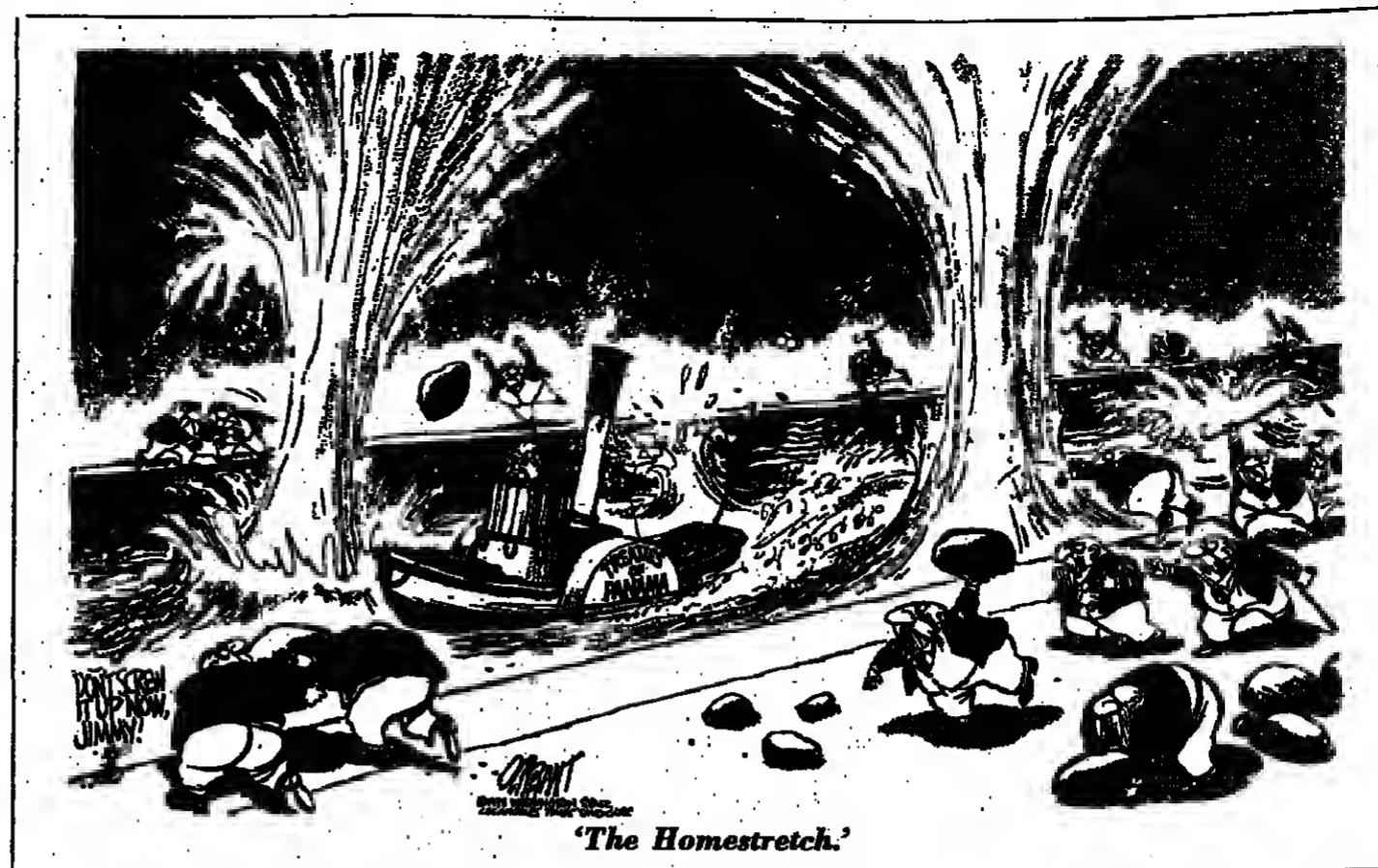
March 10, 1943

LONDON—The Daily Telegraph in an editorial on the demands for an increased expansion of the British Navy, says: "France, Russia and Germany are hurrying forward their shipbuilding, and we cannot afford to be left behind in a race on which our national and Imperial existence is staked. But somehow, for some unexplained reason, there doesn't seem to be the least amount of panic in our expansion, and there definitely should be."

Fifty Years Ago

March 10, 1928

NEW YORK—The fair, moderate weather which the East has been experiencing this winter came to an end abruptly when a heavy snowstorm descended on New York this morning. By noon it had steadied down to a heavy snowfall and forecasters predicted a genuine winter for the next few days. There was also a bit of unusual weather on the other side of the Atlantic in Paris, which also suffered from shivering winds and a light snowfall this morning.



'The Homestretch.'

Protecting CIA Secrets in an Open Society...

By Anthony Lewis

BOSTON—As director of the CIA, William E. Colby put great emphasis on the need to protect intelligence secrets. He helped develop a legal strategy for secrecy, and he repeatedly asked Congress for a law to restrain leakers.

So it is news when Colby changes his approach. The other day, in little-noticed testimony before a Senate Intelligence subcommittee, he made a careful new proposal to balance the interests of security and freedom. His thoughts should be helpful to Carter administration officials, who are struggling right now with the old problem of how to keep some secrets in our open society.

Colby proposed legislation to protect "secret intelligence sources and techniques." His basic idea was to define these secret narrowly, and apply the statute only to people who had specifically promised to keep them secret. Such a carefully aimed law would be both more credible as a threat and less worrying to civil libertarians, he argued, than broad laws against leaks.

'Improper' Acts

"We all know," he testified, "that the total secrecy which characterized intelligence in the past included many unnecessary secrets and that some of these covered activity improper at the time... We must give a signal... that America will not try to keep unnecessary secrets but that it does have the will and the machinery to keep the necessary ones."

In the past, Colby has urged legislation to let the government go to court and get injunctions against any prospective leak of classified intelligence information. He was also involved in developing the legal theory that secrecy agreements signed by CIA employees are legally enforceable contracts—the theory recently invoked by the Justice Department to seek damages from Frank Snapp for publishing his book on CIA espionage.

These ideas Colby now disavows. He told the Senate subcommittee that the government should not "burn frantically to attempt to enforce contracts or obtain damages." And he indicated that the constitutional presumption against prior restraints, spelled out by the Supreme Court in recent years, made injunctions a doubtful remedy.

Instead, Colby urged a narrow criminal statute. It would cover only intelligence sources and techniques "vulnerable to termination or frustration by a foreign power if disclosed." And it would apply to intelligence personnel who had signed secrecy agreements.

Ford's Bid

President Ford, on Feb. 18, 1976, proposed legislation to protect intelligence sources and methods. It never got anywhere in Congress. Colby's proposal has the same object but may be more attractive because it differs significantly from the latter.

The Ford bill would have allowed either criminal prosecution or intimidations against disclosures. Colby's approach excludes the latter.

2. The type of secrets to be protected would be strictly defined, and courts would hold in camera hearings to decide whether the material in a particular case met the definition. These would be adversary proceedings with counsel for the defendant participating.

3. Journalists or other third parties who had the information could not be prosecuted and would be protected from having to disclose, under subpoena, where they got it.

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Colby, who now practices law in Washington, was asked why he had turned against the contract theory.

He said: "It really isn't very dignified—using contract law to protect secrets."

He made clear that he also thought it was ineffectual, because publishers often got around it.

An approach like Colby's could have political as well as legal advantages. For those concerned about security, it offers greater certainty in protecting real intelligence secrets. For civil libertarians it offers an end to the chilling effects of prior restraints in this area, enforced by judges with no guidelines on what is a secret.

The proposal could also help President Carter get out of what

seems to be some embarrassment over the suit against Mr. Snapp. Asked about the case last week, Carter referred testily to the dangers of intelligence people revealing our nation's utmost secrets." But there is no claim that Snapp's book reveals any secret intelligence sources or methods, and the suit would not lay down any standards of secrecy; only Congress, in the legislative process, can really do that.

...And the Shcharansky Case

By Rowland Evans and Robert Novak

WASHINGTON.—At the moment the State Department and the CIA are mapping plans to concede nothing to Moscow in the Shcharansky "spy" case. The No. 2 man on the National Security Council staff leaked an authoritative word that could gravely damage Anatoli Shcharansky, a tragic case of ineptitude at high levels.

Intelligence sources here say Shcharansky, leader of the once-flourishing Soviet dissidents, has inadvertently made a potentially doleful consequence for Shcharansky, this bizarre turn of events furthers weaken confidence in the present conduct of superpower politics in Washington. From the start, the Carter administration's management of the Shcharansky affair has been bumbled.

Intelligence sources here say Lipavsky was that familiar figure in Soviet history—the double agent. While working for the CIA in 1976, he was also an agent of the KGB. After he blew the whistle on himself by admitting espionage for the CIA, Lipavsky would finger Shcharansky as another "spy." That would deal a lethal blow to the dissident movement.

Aaron's astonishing and apparently unilateral decision to leak the truth about Lipavsky was obviously tied to the astonishing decision made by President Carter last June. He stated then that Shcharansky, already under arrest, "had never had any sort of relationship to our knowledge with the CIA."

That was the first recorded case of a president publicly exonerating a foreign national from his own government's charge of spying for the United States. It greatly unnerved the CIA. By claiming Shcharansky's innocence, Mr. Carter inadvertently may have weakened him. To find him not guilty, the Russians would have to uphold the president's word against their own charge.

The dilemma is always how to safeguard genuine secrets—the names of agents, for example—while not preventing the disclosure of abuses that we know have occurred in intelligence agencies. Of course, Colby's proposal would not accomplish the total reform of our espionage laws that experts think is needed. But it would deal precisely and persuasively with what most think is the immediate problem.

Diminished Role

With his international role diminished, Tito turned his attention to the future of his own country. In what amounted to a coup from the top, he swept aside the regional chiefs who had established themselves in Yugoslavia's six different republics. He rebuilt the party and the army in ways that would emphasize national unity.

Then early this year, he set out on a world tour. Before coming to the United States, he visited the Soviet Union, China and France. Next he will go to Britain. Everywhere he has been asking—and getting—the pledge that President Carter give in support of Yugoslavia's "independence and integrity."

But why does the old man care so much about getting assurances for the future? Because the atmosphere is not all that safe for Yugoslavia, and not only because the rivalries among the basic ethnic groups in the country persist.

The great peril is the weakening of détente between the United States and the Soviet Union. More perhaps than any leader in the world, Tito is sensitive to the underlying forces which now work to push the superpowers apart. He has seen close up the aging of President Leonid Brezhnev, and the stiffening of policy on the Soviet succession crisis begins to take shape.

At the same time he has been made keenly aware—if only by the demonstrations against Yugoslavia—of growing popular and official dislike in this country for warm dealings with Communist states. Thus by far the most interesting feature of Tito's recent interview with James Reston (CJET, March 6) was his complaint about hostile demonstrations by dissident Yugoslavs in this country. "Whenever I visited America as head of state," he said, "there gathered at the place where I stayed a whole bunch of Ustashe and Chetniks who escaped from our country as Fascists and collaborators of the Fascist occupiers."

Sensitive

Not only is he sensitive to the forces working against relaxation of tensions in the Big Two, but he is also witness to the outcome. He has seen in his own backyard the rekindling between Americans and Russians in the recent Belgrade meeting on human rights. He knows about Soviet penetration in the Horn of Africa and the fumbling U.S. efforts to head it off. He is fully mindful of the Soviet military buildup and of the slow pace of the arms control talks.

But he sees, in other words, that the United States and the Soviet Union are both entering situations in which they have less to gain from détente and less to lose from confrontation. That makes for an unstable atmosphere, and in an unstable atmosphere, Yugoslavia becomes probably the world's leading candidate for Soviet pressure.

Unfortunately Tito, like the rest of us, is not immune to outside influences, on either Washington or Moscow. So the best hope is that he can educate President Carter and his less cautious advisers to the dangers of the gulf between the Soviet Union and the United States which they are allowing to widen every day.

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PARIS, FRIDAY, MARCH 10, 1978

FINANCE

Page 7

Japan to Seek U.S. Action on Dollar

By William Chapman

TOKYO, March 9 (UPI)—The dollar suffered another beating on Japan's foreign exchange today and worried government officials began demanding that the Carter administration act quickly to stem the currency's decline.

Premier Takeo Fukuda called the latest dollar loss against the yen "very grave" and told a parliamentary committee he is urging the United States to take effective action to defend the dollar.

He also instructed ministers to

search for emergency measures to prevent the yen from rising even higher against the dollar in the next few days.

Those ministers let it be known they will press the Carter administration to act swiftly to bolster the dollar, and they also prepared to clamp down on a sudden inflow of foreign money that has sent the yen rising to record highs this week.

After spurts of heavy trading, the yen closed today at 233.60 to the dollar, another postwar high. That means that the dollar has now lost about one-fifth of its

value against the yen in the past year. It closed at 233 yesterday.

When the market opened, the Bank of Japan intervened with large dollar purchases, hoping to stabilize the exchange rate at 235, but quickly bowed out when it became apparent that the selling pressures were too strong. In one five-minute period more than \$100 million traded, an amount equal to a half-day of trading in normal times.

The buyers reportedly included many foreign banks that fear the dollar will sink even lower, and domestic banks getting rid of dollars held by Japan's own trading companies.

"Nobody wants to be left holding dollars now," said one American banker in Tokyo.

Unlike European governments, Japan's has been timid about blaming the United States for the currency troubles and reluctant to demand publicly that the Carter administration act to defend the dollar.

A change of attitude was evident when the governor of the Bank of Japan, Teisaburo Morinaga, said the problem is not that the yen is too high but that the dollar is too low. He said he would press the Carter administration to act quickly to stabilize the dollar.

Other officials, in off-the-record sessions with Japanese re-

porters indicated plans are under way to ask the United States to order the Federal Reserve Bank of New York to buy more dollars quickly. They also described plans to encourage Washington to make a \$3-billion "currency swap" with Japan to shore up the dollar in Tokyo and elsewhere in the world.

The government is also preparing new measures at home to prevent the yen from rising higher. It is reportedly ready to place new foreign exchange restrictions on short-term foreign investments in Japan and to tighten reserve requirements on yen deposits held in Japan by foreigners.

In Tokyo, where the dollar closed at a record low of 233.60

yen, the Bank of Japan roared up \$30 million to support the U.S. fund, it was reliably learned. The U.S. unit finished in London at 235.60 yen, up 60 points on the day.

Elsewhere, against the deutsche mark, the dollar rose 67 points to 2,030.10 marks.

Against the Swiss franc, the U.S. unit surged to its highest level in five weeks as awareness grew that recently announced Swiss capital and other curbs may blunt upward pressure on the Swiss currency. The U.S. fund appreciated almost 4 per cent to 1,962 francs, up 7.5 centimes.

Sterling slipped to \$1.9260 versus \$1.9248.

In Bonn, a government spokesman said President Carter talked with West German Chancellor Helmut Schmidt for 15 minutes on the telephone today with the discussion centering on economic, currency and disarmament questions. On Sunday, British Prime Minister James Callaghan is scheduled to hold private discussions in Bonn with Mr. Schmidt in an attempt to break the stalemate that has affected Western economies in recent months.

Japan Exports Show Gain of 13.9 Per Cent

TOKYO, March 9 (AP-DJ)—Certified exports, which show the export trend over the near term, rose by 13.9 per cent in February from a year earlier to \$7.4 billion, the government said today. This followed a yearly increase of 22.4 per cent in January.

Japan's certified exports rose 14 per cent from January, the Ministry of International Trade and Industry said.

On a yen basis, February certified exports were down 2 per cent from the year-earlier month but up 1.2 per cent from January.

Bankruptcies Rise

Meanwhile, corporate bankruptcies in February totaled 1,212 cases, up 6.2 per cent from 1,141 cases in January but down 11.1 per cent from 1,364 cases in February 1977.

Tokyo Shoko Research Ltd., a private corporate credit inquiry agency, said liabilities left by the collapsed companies in the month hit an all time high for a month and were up 162 per cent from the prior month and up 158.6 per cent from the year-earlier month.

The agency attributed the sharp increase of debts in the month mainly to the large scale failure of Eida Co. and its affiliates.

U.S. Firms to Boost Outlay**By 10.9 Per Cent This Year**

WASHINGTON, March 9 (Reuters)—U.S. business plans to increase plant and equipment spending by 10.9 per cent this year following a 12.7-per-cent gain last year, the Commerce Department said today.

It said in a survey of plant and equipment spending that in dollar terms capital expenditures are expected to rise to \$150.63 billion this year from \$135 billion in 1977 and \$120.49 billion in 1976.

The Commerce Department said these projections do not take inflation into account. If responsive to the survey expect capital goods prices to rise at about the same rate as 1977's 8.3 per cent, then the real increase in spending would be about 5.5 per cent.

In 1977, this means that real plant and equipment spending rose by about 7 per cent.

Plans call for a 5.9-per-cent

increase in spending during the first quarter, to an annual rate of \$142.2 billion, and a 2-per-cent increase in the second quarter to \$163 billion.

The Commerce Department said that in the fourth quarter of 1977 capital spending declined by 1.4 per cent to \$134.1 billion after a 4.6-per-cent increase in the preceding three months.

Second-Half Outlay

Spending in the second half of this year is projected at \$142.3 billion on an annual basis, 3.8 per cent above the first-half level, and 10 per cent above the level in the second half of 1977.

Manufacturing industry projects an 11.7-per-cent spending increase this year, after 1977's actual gain of 14.6 per cent, while nonmanufacturing industries are projecting a 10.4-per-cent expenditure rise compared with 11.1 per cent.

Excluding the U.S. and Canadian operations, oil products and natural gas sales volumes were little changed from 1976, Royal Dutch/Shell said.

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Spending in the second half of this year is projected at \$142.3 billion on an annual basis, 3.8 per cent above the first-half level, and 10 per cent above the level in the second half of 1977.

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Excluding the U.S. and Canadian operations, oil products and natural gas sales volumes were little changed from 1976, Royal Dutch/Shell said.

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The Commerce Department said these projections do not take inflation into account. If responsive to the survey expect capital goods prices to rise at about the same rate as 1977's 8.3 per cent, then the real increase in spending would be about 5.5 per cent.

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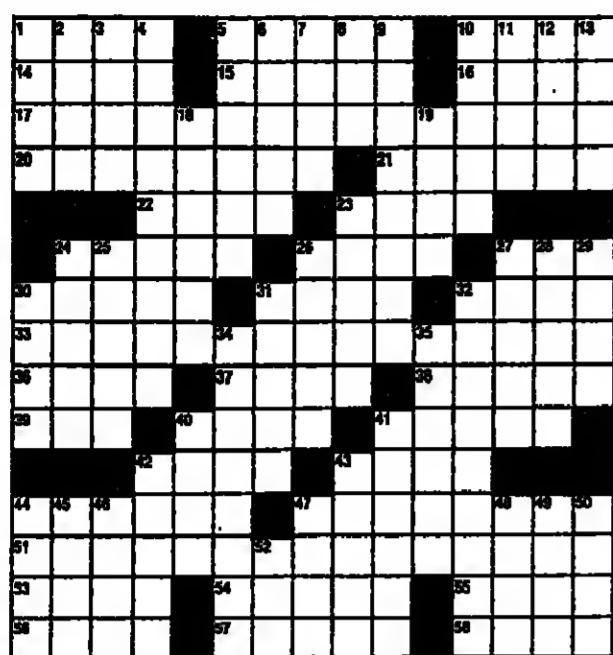
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CROSSWORD

By Eugene T. Malecka

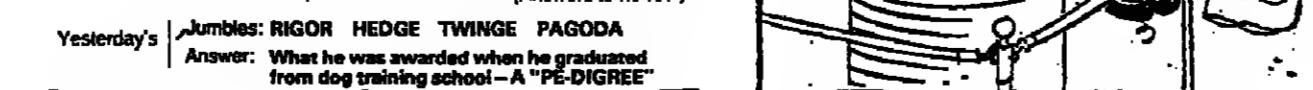
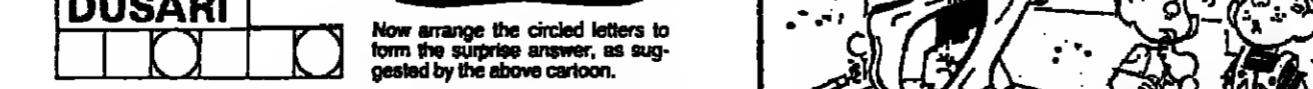
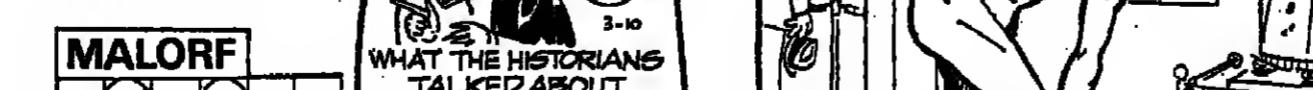
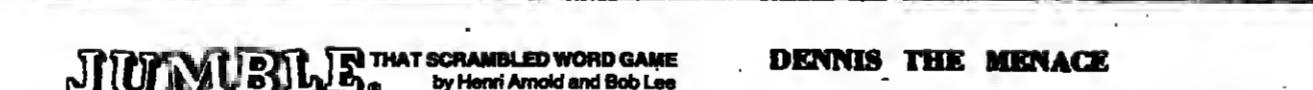


ACROSS

- 1 Delhi nanny
- 5 Milan's Le —
- 10 Quid of tobacco in Dogpatch
- 14 "Bungay," book by H.G. Wells
- 15 Borne by the wind
- 16 Kibbutz dance
- 17 Sky event
- 20 European revolters in 1524
- 21 Disordered
- 22 Scraps by, with "out"
- 23 Relative of Cobham
- 24 "I remember ... the way ..." Swinburne
- 25 Musketeers or Magi
- 27 Holbrook
- 30 Turkish rice dish
- 31 Table
- 32 Nod off
- 33 Sky event
- 36 Love traction
- 37 " — We Got Fun!"
- 38 Christie of the courts
- 39 Mao — tungs
- 40 Freud's colleague

DOWN

- 41 One of the deadly sins
- 42 Acratic
- 43 Lady of Spain
- 44 Magician's cache
- 47 Certain
- 51 Sky events
- 52 Queenie
- 54 Sister's child
- 55 Tiber tributary
- 56 Writer Greene
- 57 Don sign
- 58 Author of "The Black Prince"
- 59 Nip palm
- 60 Pouting expression
- 61 Broadway theater
- 64 "Downstairs" role
- 65 Barracuda
- 66 Checkroom items
- 67 " — well"
- 68 Trygve
- 69 Make familiar
- 70 Actress-dancer Rivera
- 71 " — soft."
- 72 Grandson of Jacob
- 73 Impressionable
- 74 Greasepaint
- 75 Bibbical twin
- 76 Open a clasp
- 23 Proceed aimlessly
- 24 Parts of candies
- 25 — May, in "Tobacco Road"
- 26 Bootlace
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- 28 Sky blue
- 29 Pre-Master period
- 30 Annoying one
- 31 View from Notre Dame
- 32 Going off the track
- 34 Grondine wine
- 35 Kind of crab
- 36 Jargon
- 37 Ken Stabler, often
- 38 Lightest one known
- 39 La — Vita
- 40 Barfly's gulf
- 41 Director Wernher
- 42 Staffs with constent and subst.
- 43 Vers-librist
- 44 Pastry chef's aide
- 45 Director
- 46 Staffs with constent and subst.
- 47 Vers-librist
- 48 Pastry chef's aide
- 49 Actress Miles
- 50 Biblical twin
- 51 Satanic deed



USTA to Reorganize Davis Cup Program

By Neil Amdur

NEW YORK, March 9 (NYT).—A plan for reorganizing the U.S. Davis Cup program will be initiated soon by the United States Tennis Association—regardless of the outcome of next weekend's controversial match with South Africa.

Among the major revisions under consideration are the signing of annual contracts with top players, the selection of a full-time captain and national squad, and holding cup matches in large indoor stadiums such as the Superdome and Astrodome.

"Whatever we're doing in regard to the Davis Cup is not the right way," Slew Hester, the USTA president, said yesterday, alluding to recent failures by U.S. teams in the international competition. "I don't think we've neglected the cup, but we have not been expert in certain areas, especially in our choice of players. We've got to change this and the changes have to be made now."

Although blessed with more top professionals than any other tennis-playing nation, the United States has not won the cup since 1972. Dissent over squad selection, scheduling and finances have been blamed for the reluctance of some players to forgo prize-money tournaments for the cup.

For the North American section final against South Africa in Nashville, the United States team will consist of Vitas Gerulaitis, Harold Solomon, Sandy Mayer, Sherwood Stewart and Fred McNair. Missing, because of prior commitments, are Jimmy Connors and Brian Gottfried, the top two players last year.

"I don't feel good at all about the match in Nashville, and it has nothing to do with the political situation," Hester said, in referring

Pledge Forgotten

Dell said that Hester assured him last year during the Wimbledon championships that the USTA would sign top players to Davis Cup contracts. Hester acknowledged his pledge to Dell, but admitted: "Very frankly, it got lost in the shuffle when I was tied up with the Flushing Meadow situation. In fact, I thought all the players were signed up."

Tony Trabert, former top ranking star, is in his third year as cup captain. According to Hester, Trabert received about \$2,000 and expenses for each series last year, plus a share in any surplus. However, Trabert is not a full-time captain. Some players have criticized him for not having attended two recent tournaments in which McNair and Stewart, the likely U.S. cup doubles team, were beaten by Bob Hewitt and Frew McMillan of South Africa.



Associated Press
Heavyweight champion Leon Spinks, surrounded by advisers, says that Muhammad Ali is the man he wants to face in his first defense of the boxing championship.

Spinks and Title Caught in Squeeze

By Dave Anderson

GILMAN HOT SPRINGS, Calif., March 9 (UPI).—On the roadside marquee at the Massacre Canyon Inn, red letters announce, "Welcome Ken Norton the Champ."

Ken Norton is not the world heavyweight champion; he is merely the No. 1 contender. But on dignity, he deserves the championship now. In the confusion, if not corruption, that surrounds Leon Spinks's first defense of the title that he detached from Muhammad Ali three weeks ago, Ken Norton is the only boxer behaving like a champion. Leon Spinks has turned into a pawn for Bob Arum, the devious Top Rank Inc. promoter, and the CBS network. Muhammad Ali has turned into a panhandler for a rematch, the first multimillion-dollar panhandler in captivity, but a panhandler nevertheless.

Ali Beats

All likes to boast that "I'm bigger than boxing" but he is getting smaller and smaller. The more Ali whines about a rematch and the more Bob Arum snarls about Leon Spinks's alleged rib injury, the more Ken Norton will emerge as the new champion of the people, at least the people who believe that a boxer's signed agreement should be as non-negotiable as the rule that a round lasts three minutes. And the people in the Congress and the Justice Department should consider investigating what is happening in boxing now, notably how Spinks is being squeezed by two corporate boxe constrictors, Top Rank and CBS.

WBC Edict

The squeeze involves the World Boxing Council edict that he must make his first defense against Ken Norton or be stripped of the title. But the squeeze was created by Top Rank and CBS long before the WBC ruling. According to a memo signed by Arum to Joe Suliman, the WBC president, on Feb. 17, two days after Ali was dethroned, the Top Rank promoter acknowledged that Top Rank's contract with the new champion provided that Spinks "is to receive \$1 million as a purse for his first title defense and \$50,000 for training expenses." Top Rank's contract with CBS, the memo stipulates, is that the network will purchase the TV rights to Spinks's first title defense for \$500,000, including about \$200,000 for the challenger.

The position of CBS, the memo explained, is that "we [Top Rank] are in an extremely difficult legal position in that Leon Spinks is bound contractually to Top Rank and Top Rank is bound contractually to CBS"—which means that the new champion is bound to CBS, thereby diminishing his market value.

Champion's Troubles Grow

NEW YORK, March 9 (UPI).—Trouble continues to swirl around confused heavyweight champion Leon Spinks as allegations of fraud and manipulation grow.

World Boxing Council president Jose Suliman said in Mexico City that the WBC is considering stripping Spinks of his title on March 17 for hacking out of an alleged agreement to make his first title defense in May against Ken Norton. Norton's manager, Bob Biron, has threatened legal action against Spinks and Top Rank Inc. if Spinks's first defense is not against Norton.

"It definitely will be Muhammad Ali, if I fight for the title," Spinks said in Detroit. "All gets the first title shot." Spinks said that Top Rank "will promote my first few fights, but they have no say whatsoever in who I fight. None."

Asked about Norton, who accepted Top Rank's \$200,000 offer last week to meet the champion, Spinks replied: "I ain't decided nothing yet. I'll take care of that later. I got plenty of time for that."

Meanwhile, the rival World Boxing Association announced today that it would sanction a rematch between Spinks and Ali in September in "an African country." The WBA said that if Spinks won, he would be required to grant a title chance to the top contender, probably Norton.

The selection of the south African republic of Bophutswana as the site for the proposed Ali-Spinks fight has brought a roar of indignation from anti-apartheid and civil rights groups in the United States. The tiny country was granted independence from South Africa last year but is recognized only by the Johannesburg government.

Spinks's promoters—who already had the contract with CBS to televise it. All of which poses some questions:

Who was advising Spinks? Was anybody advising him?

Was his manager of record, Mitt Barnes, who has charged that Spinks is now controlled by the Top Rank promoters, aware of the contract?

What other contracts exist?

Top Rank has announced that the CBS contract does not cover an Ali rematch as Spinks's first title defense, but there is no mention of that in the memo. In all this possible antitrust situation, Spinks should be as eager to ask questions as the Congress and the Justice Department.

Norton Speaks Out

"Arum is ruining boxing," Norton said yesterday after road-war in the San Jacinto Mountains where he is in light training. "And he's ruining Leon Spinks along with it."

"I don't want the title given to me, I want to earn it. I think Spinks will give me the shot and when he does, I'll beat him. And the first person I'd give a title shot to then would be Ali for two reasons—money and I want to kick his butt."

Boxing should be bigger and better than ever now, with Spinks as the surprise champion, with Norton and Ali in the wings, with Joe Frazier and George Foreman announcing comebacks. But boxing is destroying itself with big money and with TV networks acting as unlicensed promoters.

E. Germany Joins European Track Team Against U.S.

MILAN, March 9 (AP).—East Germany, in a rare move, has decided to allow its athletes on the lineup of a European selection that will face the United States in indoor track and field competition here next week, an official said today.

"It is an unexpected but highly pleasing decision," an official of the Italian track and field federation said.

Organizers said that four to six East German athletes would be selected for the meet with the U.S. team at the Milan Sports Palace.

East Germans had delayed a decision chiefly because they regard their country as an equal footing with the United States in sports and therefore had refused to join in sports coalitions with other European nations.

It is an international call means business.)

Long Distance is the next best thing to being there.

WHA Results

Wednesday's Game

Quebec 5, Indianapolis 4 (Boudrias; C. Boudreau, P. Boudreau, Sutherland, Tardif; Leduc 2, Devine, Sauvage).

Tour of Italy Set in May

MILAN, March 9 (AP).—Tour of Italy organizers said yesterday that the cycling race had been scheduled earlier this year, from May 8 to 26, to avoid competition with the World Soccer Championships in Argentina in June.

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Observer**Headachegeate**

By Russell Baker

NEW YORK—We are in the White House Disaster Room. Everyone is hard at work trying to make a disaster. Without success.

Outside, America is running out of patience. Worse, upstairs in the pressroom, the press is already out of patience.

Nasty comparisons are drawn. With Kennedy whose Bay of Pigs disaster was the talk of his freshman year. With Johnson—79 years in Vietnam—there was disaster! With Nixon, the great Nixon, maker of Watergate, disaster par excellence.

A light flashes in the Oval Office. The President drops everything, including Cyrus Vance, and hurries to the Disaster Room. Midge Costanza is beaming. "I think I've got it," she whispers.

The President can barely conceal his contempt. "That's not a disaster," he says. "It's just a headache."

Thousands of headaches have been produced in this room during the last year. The President is tired of headaches. What's worse, the press is tired of headaches. The administration's failure to produce anything gaudier than a headache! Certain columnists are already referring to it as headachegeate.

"The way I see it," says Hamilton Jordan, "if we don't damn soon get ourselves a disaster to get everybody's mind off what's not going on here in Washington, we're gonna be in real trouble."

It is clearly time for a major disaster conference. Everyone assembles. The President speaks. He expects every man to do his duty and asks for volunteers.

Billy Carter announces that he is willing to go into the bear business. The President brushes a tear from his cheek. "Not a disaster, Billy," he says, "but it's a start."

Their sister, Ruth, speaks. She has been having talks of a spiritual

nature with Larry Flynt, the convicted pornographer. Perhaps if Flynt consented to have his name publicly linked with the name of Carter...

"I might get a friendly columnist to start writing about Beer-and-bradgate," says Jody Powell.

"And listen," says Bert Lance,

"I suppose I started fooling around with stocks and bum checks."

"By itself, it's nothing," says the President, "but mix it in with Larry Flynt and Billy Bear, and imagine, we might be halfway to a fair-to-middling disaster."

Jody Powell speaks. "I could leak it to the press that the President says 'imagewise' and wipe out every last soul in the American literate community."

Attorney General Bell has a better idea. "If we could find a Republican prosecutor somewhere who's putting the claws into a couple of Democratic congressmen, you could tell me to fire him, Mr. President."

The President is interested. Having made a campaign promise not to fire Republican prosecutors for not being Democrats, he will naturally be accused of breaking a campaign pledge.

"If we put it all together, what have we got?" The President's question is rhetorical. He knows what they've got. Billy Bear, Larry Flynt's funny checks and a broken campaign promise. It is not even a Bay of Pigs, much less Vietnam.

"Put them all together," he says, "and all we've got is a six-week filing for the press. After that they'll be back telling people there's nothing of consequence going on in Washington."

Pat Caddell says maybe people like nothing going on in Washington. "Come election day," says the President, "we'll better hope so."

Another brutal 16-hour White House day is ended. To relax, Hamilton Jordan heads for a single bar. Tomorrow the papers will have a fresh diversion. Jordangate. Not a patch on a real disaster, to be sure. But briefly it will preserve the illusion that something—something for heaven's sake—is going on in Washington.



Baker

A Japanese-American Recalls Internment

By Sherry Angel

COSTA MESA, Calif.—He had been denied his legal rights as an American citizen for more than two years. He lost his freedom, his business, his security—all because his ancestors were Japanese.

But shortly after his release from the relocation center where he was interned during World War II, Steve Akutagawa stood before a church group and called the experience a blessing.

The congregation reacted with stunned silence. And people still find it hard to believe that Mr. Akutagawa did not tell his children horror stories about the banishment of more than 110,000 Japanese-Americans from the West Coast of the United States two months after the Dec. 7, 1941, attack on Pearl Harbor.

Mr. Akutagawa, 59, recently reflected on his ability to find the positive side of the ordeal. He speaks of his experiences in the relocation camp without bitterness.

That does not mean he cooperated with orders, however, when he was ordered to move his family from Los Angeles to a camp in Wyoming, taking along only the most basic necessities.

The camp was one of 10 hastily established after the United States declared war on Japan. A wave of hysteria swept the Pacific Coast at that time, leading the government to classify all persons of Japanese descent as enemy aliens.

Most of those who were crowded into barracks surrounded by barbed wire and guarded by the War Relocation Authority were U.S.-born citizens. About a third were unnaturalized immigrants, many of whom had strong emotional ties to their homeland.

Mr. Akutagawa, a native Californian, had an all-American upbringing, he said. His mother spoke English and never talked of returning to Japan after his father died in 1929.

Mr. Akutagawa was 24 when the internment order was issued. He had just begun to establish himself in the produce business, and his wife had recently given birth to their first child.

Like most others, they followed the government's directive stoically, offering no resistance. But once in the camp, Mr. Akutagawa started writing letters demanding that the government confirm his status as an American citizen.

Being a member of the Army Reserve, he informed the military that he felt no obligation to serve until his citizenship status was clarified. He never received an answer, nor was he called into the service.

When the Japanese-Americans finally



Steve Akutagawa

were given back their freedom in December, 1944, the most disillusioned among them renounced their American citizenship and when the war ended some months later returned to Japan.

Mr. Akutagawa never considered such a move, he said.

In fact, he said he tried to convince many other internees to continue to respect the American flag and Constitution.

"I never once doubted that we had a good system of government. Our politicians aren't very good, but the system is still best," he said.

Mr. Akutagawa returned to Los Angeles after his release and accepted temporary employment at a resettlement office established by a Quaker group.

It was during that period that he concluded the relocation program had been a blessing in disguise.

One evening as he sat in a bar, he noticed that he was being watched by several other customers. Finally, they found the nerve to ask him about his ancestry. When they learned he was a Japanese-American, they embraced him and shook his hand, saying the words "Welcome home."

Mr. Akutagawa said he often had visited bars before the war, always being more interested in meeting people than in drinking. Few people ever bothered to talk to him, however, and many deliberately avoided him.

Mr. Akutagawa said many people he met after the war seemed sympathetic or angry about how the Japanese-Americans had been treated.

"People were interested that such a thing could happen to American citizens. They wanted to talk about it," he said.

He was one of many asked to share experiences with church groups, and the communication prompted social acceptance that earlier had been denied.

The temporary banishment of the Japanese from the West Coast also resulted in their eventual dispersal throughout the United States, speeding up the process of assimilation, Mr. Akutagawa noted.

His conclusion was that the outcome was beneficial also is based on his belief that the government never again will deny U.S. citizens their freedom.

"I'm sure we all learned a great lesson from it," he said. "I don't think the American people would let it happen again. I think the people recognize that a citizen is a citizen, regardless of race, color or creed."

© Los Angeles Times.

PEOPLE: U.S. Group Wants to Buy Victoria Station

After the Queen Mary and London Bridge, now Victoria Station. Yes, an American group wants to buy the 118-year-old landmark. London's second busiest railroad station, which handles 170,000 passengers a day and is the terminal for train and boat services to the Continent. Jennings Feltz, a Seattle lawyer, wrote to British Rail on behalf of Antique World Inc., of Kansas City, saying, "We would like to buy it [the station] and turn it into an antique supermarket." The British, ready for anything after finding they could unload such scrap as the U.S. and the bridge on Americans are playing it cool. An official said: "There appears to be a misunderstanding, as Victoria Station is not for sale. A suitable reply will be composed."

New Yorkers who happened to be passing in front of the Museum of Modern Art Wednesday witnessed an art burning, perhaps a New York first. Claiming that Picasso was a "com artist," a young Brooklyn painter who identified himself only as "Paul" burned a lithograph described as a handsigned Picasso on the sidewalk. The British, ready for anything after finding they could unload such scrap as the U.S. and the bridge on Americans are playing it cool. An official said: "There appears to be a misunderstanding, as Victoria Station is not for sale. A suitable reply will be composed."

Princess Grace of Monaco swept in and out of Boston this week. On Wednesday she attended a Champagne reception for the benefit of the Boston Ballet and also gave two performances at Harvard of dramatic readings in her "Birds, Beasts and Flowers" series. Next stop: New York.

The Duchess of Alba, Spain's most titled woman, will marry Jesus Aguirre, director-general of

—SAMUEL JUSTICE

United Press International

Isabella Rossellini, 25, (r) puts on smile strikingly similar to her mother's in a photo taken when the 25-year-old Ingrid Bergman arrived in the United States in 1940 to begin her Hollywood career. Isabella, who lives in New York and is working on a project for Italian TV, has been offered the dream of her lifetime—to be ringmaster for the Big Apple Circus, March 25 and 26 at the Brooklyn Academy of Music.

United Press International

Minerva, Spain's most titled woman, will marry Jesus Aguirre, director-general of

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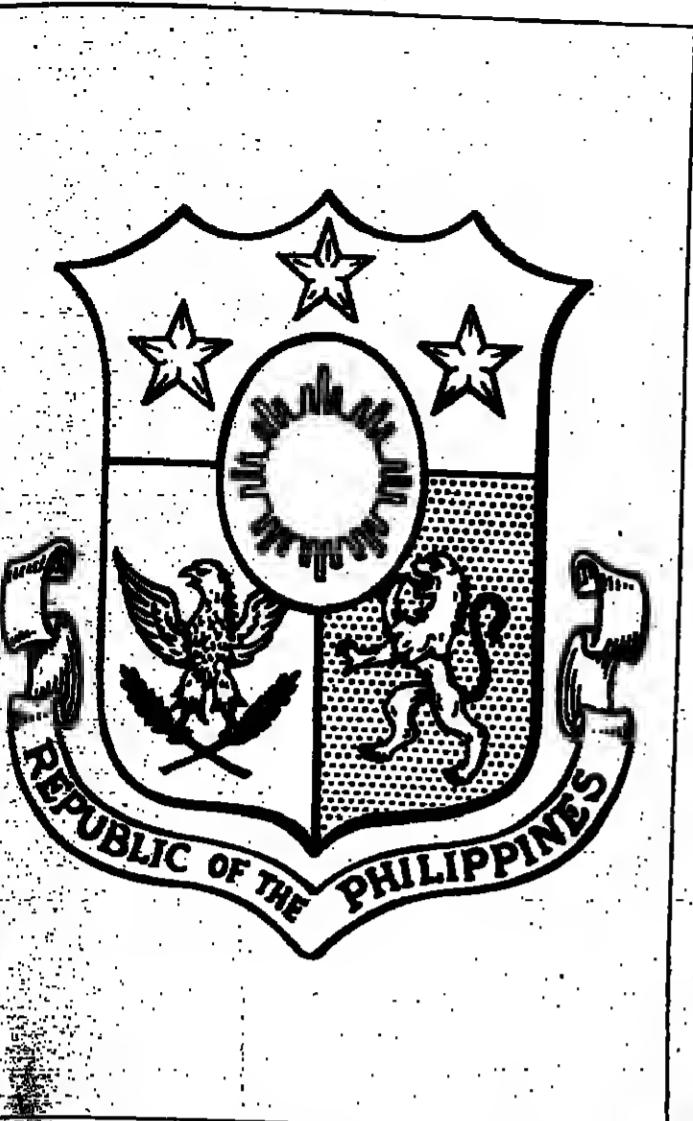
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A Special Report

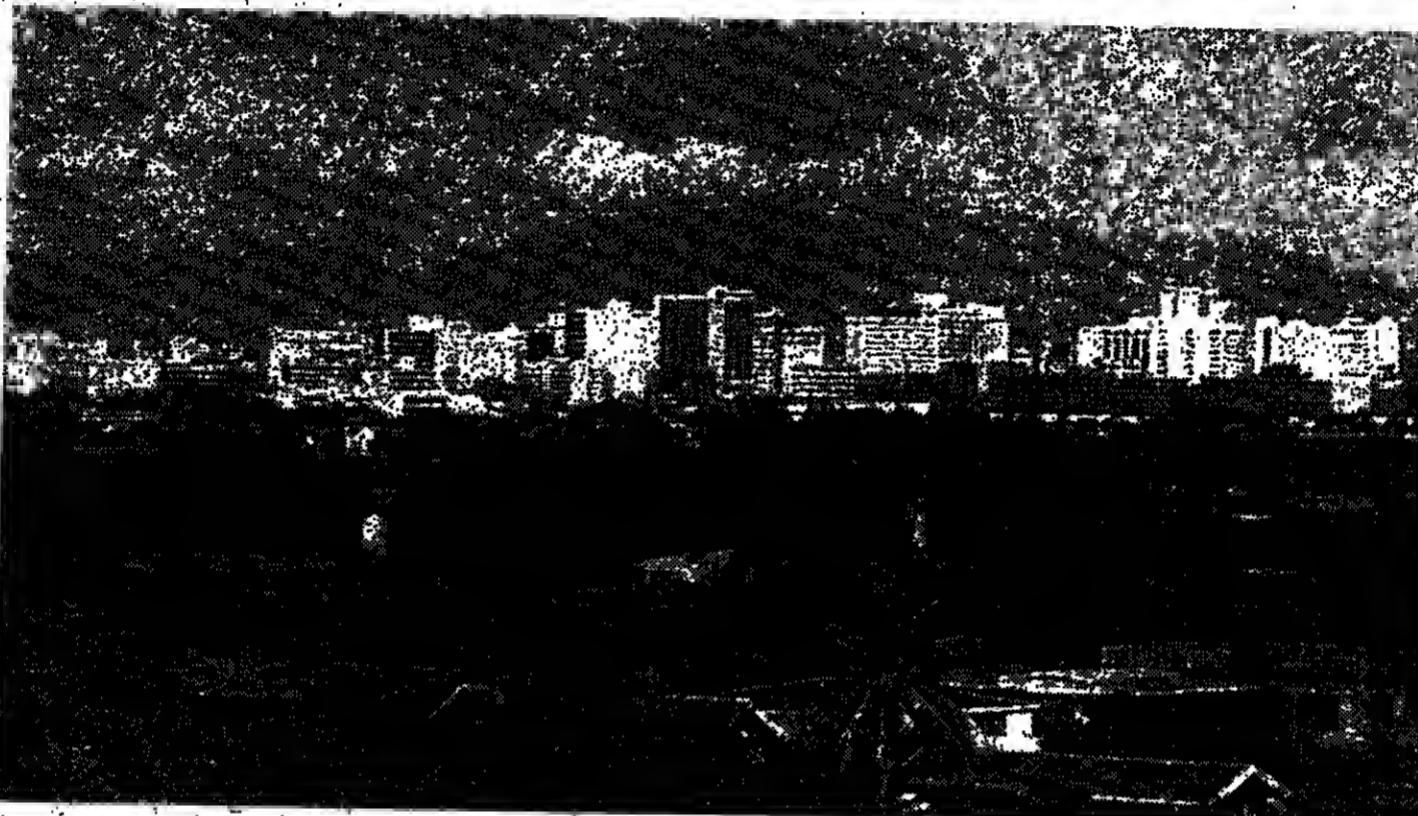


INTERNATIONAL
Herald Tribune
Published with The New York Times and The Washington Post
PARIS, FEBRUARY, 1978

FOCUS ON

THE PHILIPPINES

Marcos: The Nation's One Source of Political Power



Burgeoning Manila against its mountain background.

One-Man Rule With No Legal Opposition

MANILA (UPI).—President

Ferdinand E. Marcos under martial law has announced to seek re-election.

Office-holding was normally associated with running of political parties and election campaigns were heated and often marred by violence and vote-buying, since the spoils were large. In the absence of ideology, the electorate did not identify with parties, but rather with individual candidates whom they would support in return for expected favors.

The imposition of martial law five-and-a-half years ago, while putting all power in the hands of one man, did not do away with opposition to his rule. But it did do away with organized legal opposition.

Prior to martial law there had been two major parties, the Liberal and the Nacionalists. Neither had an ideological basis, and members switched easily from one to the other depending upon opportunities. Mr. Marcos himself switched from Liberal to Nacionalists in order to not be stymied in his first presidential bid by the then Liberal incumbent

who was planning to seek re-election.

Office-holding was normally associated with running of political parties and election campaigns were heated and often marred by violence and vote-buying, since the spoils were large. In the absence of ideology, the electorate did not identify with parties, but rather with individual candidates whom they would support in return for expected favors.

Under martial law the opposition politicians became merely a few personalities without any organized mass base, and therefore most of them joined the Marcos camp. Nevertheless, a few of the opposition personalities have kept up a drumfire of criticism against the regime. Chief among these are former senators Jose Diokno and Jovito Salonga.

Mr. Diokno was one of those arrested at the onset of martial law and held in isolation for two years before being released.

Through the Civil Liberties Union of the Philippines, he and his friends have published illegal

tracts criticizing the regime's economic and foreign policies. Together with other lawyers, he organized the Free Legal Assistance Group, which defends political prisoners and exposes the regime's alleged abuses of human rights. Although threatened with re-arrest, he continues his work.

Mr. Salonga, pulling together

remnants of the Liberal party plus Liberal Protestant churchmen, is a popular speaker on college campuses and at civic club luncheons, where free speech is usually permitted even under martial law. In his lectures and in illegal pamphlets that he and his friends circulate, he has been analyzing what he sees as the ongoing shifting of free political processes. Under his coalition forces, he organized last year a proto-political party called the Alliance for Human Rights. The alliance announced an eight-point platform based on social-democratic principles.

Mr. Salonga says, however,

that his group will not take part in any of the elections called by President Marcos until martial law is abolished, political prisoners are released, and a free press instituted. Mr. Diokno's group also refuses to take part in elections under martial law.

Press Freedom

The matter of press freedom is often raised by the opposition, since without it their criticisms are heard only by those within shouting distance.

While there is no press censorship as such in the Philippines, all media outlets are in the hands of people close to the palace. All of the media outlets were closed down

upon the declaration of martial law, and subsequently, only those owned or bought up by the right people were allowed to operate.

The 150 journalists arrested at the onset of martial law mostly chose to go into public relations work upon their release from military stockades, so that the

(Continued on Page 2.)

Martial Law Will End 'When People Want It To'

By Bernard Wideman

MANILA (UPI).—The Philippines is an archipelagic nation of 7,100 islands and 43 million people ruled by one man. The people are racially mixed—Malay, Negrito, Mongolian, Caucasian—but to the different migration waves that peopled the islands. Religiously, the population is approximately 85 per cent Roman Catholic, 5 per cent Protestant, 5 per cent Muslim, and 5 per cent animistic. In practice, most Filipinos practice their Western religious beliefs with an admixture of superstition, leading religious scholars to use the term "folk Catholicism" for the dominant belief.

The man who rules this country is Ferdinand E. Marcos, 60, son of a schoolteacher-turned-politician. He comes from the northern part of the main island of Luzon, the Ilocos region, Ilocanos, as persons from this region are called, are said to be especially hardy, industrious, and frugal, as they have to be to scratch a subsistence from the narrow, fertile plains of the north. Mr. Marcos is no exception. A World War II guerrilla leader, he served as a congressman and senator before becoming president in 1965. He was the only President to ever win a second term (in 1969), and instead of stepping down in 1973, as he was constitutionally compelled to do, he now rules by decree under a martial law administration.

Mr. Marcos announced the imposition of martial law on Sept. 23, 1972. A few hours before doing so, he believed the man who was headed most likely to succeed to the presidency, Sen. Benigno S. Aquino Jr., of the opposition party (Sen. Aquino is still in a military stockade).

He also had his security forces arrest two other senators, nine delegates to the Constitutional Convention who was then sitting, and some 150 members of the media. In the first few months of martial law, 37,000 persons, mostly young political activists, were detained in military stockades, according to the government. Most were released within two years.

The imposition of martial law was not entirely unexpected. It had been rumored ever since Mr. Marcos had suspended the writ of habeas corpus in December 1971. Change had been in the air since the late 1960s. Students were marching in the streets, Communist guerrillas were again

becoming active in the countryside, the Constitutional Convention was seeking a formula whereby the oligarchic political system then prevailing could be changed to a more representative one. People were optimistic or pessimistic, depending on their stations in life.

The true story is told about the pro-Marcos writer who begged a pro-Communist friend: "When the revolution comes, don't let them kill me."

Another true story concerns the society matron who rented one of her houses to religious orders for a trifling sum on the condition that: "When the revolution comes, let me hide here."

Martial Law

The imposition of martial law preempted any revolution. It also stifled the moderate reforms then being discussed in the Constitutional Convention. When the convention was allowed to resume its work, it was dominated by pro-Marcos men and produced a document (known as the 1973 constitution) which authorized Mr. Marcos to rule by decree for as long as he desired. The new constitution was not properly ratified, according to the Supreme Court, but it is in effect nevertheless, along with the old 1935 constitution by which Mr. Marcos justified the imposition of martial law.

In his Sept. 23, 1972, address to the nation, Mr. Marcos stated that he was imposing martial law in order "to protect the Republic of the Philippines and our democracy." He said that the state was "endangered by violent overthrow," which is a justification under the old constitution for martial law.

Following the imposition of martial law, a serious Muslim rebellion did break out in the major southern island of Mindanao. To this day the rebellious forces remain a serious drain on the government's resources, although not a direct threat to the state.

Mr. Marcos is regularly asked by foreigners when martial law will end. He just as regularly replies: "When the people want it to end." He varies this answer with: "When we have settled the war in the south"; or: "When we have removed the socio-economic causes that lead to rebellion."

The average Filipino does not expect Mr. Marcos to step down even if the term martial law is dropped. There are two prevalent schools of thought among Filipinos. One is that Mr. Marcos will be succeeded by his wife or son. The other is that some elements of the military will stage a coup d'etat.

Mr. Marcos occasionally mentions to interviewers the possibility of a violent death. She usually

(Continued on Page 2.)

Rich in Resources

In a Largely Rural Setting Land Reform Bogged Down

MANILA (UPI).—The Philippines is a country rich in natural resources—fertile land, dense forests, abundant fisheries and productive mines. Its chief exports, mainly coconut products, sugar, and copper, reflect this wealth. The largest chunk of its GNP is agriculture. Three-fourths of the population live and work in rural areas. Of the 15-million workers, only about one million are unionized, representing only those who work in mining, industry, and services such as importation.

It is a country of medium and small landowners and small farmers. There are some 2 million of the latter, working all parcels of land to cultivate corn, coconut and rice farms in the cities and have over 100 wage laborers. On the sugar plantations alone, there are over 100 wage laborers.

Through martial law decrees, President Ferdinand E. Marcos stated a land-reform program would supposedly sell the land to the people tilling it. But in fact, only some 45,000 tenants have begun purchasing land they cultivate, according to the government. The program has also had the effect of inducing landlords to cut the traditional cultivation rights of their tenants and to run the farms themselves or overseeers and wage laborers.

Statistics on this phenomenon are not available, but a mayor in a town in his municipality not a single landlord has sold out to his tenants, most being converted to the system of agricultural laborers. Consequently, the government is investing corporations to organize rice plantations both displace peasants and pets with them.

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Divorce
(Continued on Page 3.)

East, West Industrial Giants Are Leaders in Investment

The U.S.—Still the Biggest

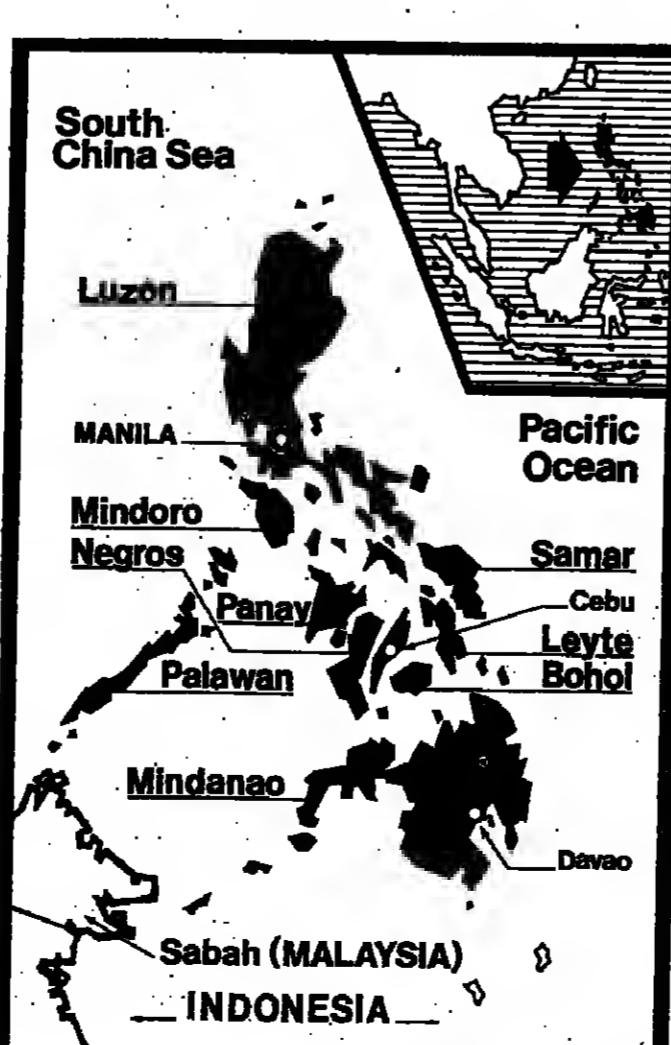
By Leo P. Gonzaga

MANILA (UPI).—Despite their reservations about doing business in the Philippines since the lapse of special relations in 1974, Americans are still the biggest foreign investors here. And although they seem to complain about some of the ground rules more often and louder than the others, U.S. businessmen agree that the overall regulatory climate for foreign investment is better than ever before.

New direct foreign investment amounted to roughly \$771 million, excluding \$102 million invested in securities traded on the stock market, according to a central bank survey covering the period between February 1970 and September last year. (The central bank started closely monitoring all foreign exchange inflows and outflows for external debt management purposes in February 1970.) Of the total, \$352 million, almost one-half, came from the United States, with \$176 million coming from Japan, \$52 million from Canada, \$38 million from Hong Kong, \$37 million from the United Kingdom, \$27 million from Switzerland and the balance from other countries.

The Bulk

There is no clear breakdown of the yearly figures, but it is believed that the bulk of the American investment came in after



(Continued on Page 6.)

Japanese—Marked Increase

By Mamoru Tsuda

MANILA (UPI).—Japanese business operations in the Philippines increased markedly in the 1970s. Equity investments by the Japanese grew some 438 times from the 1970 level of \$400,000 to the September, 1977 level of \$175 million.

Almost 90 per cent of this cumulative total has been committed since 1974, according to the Central Bank of the Philippines. The Japanese, though far behind the Americans, are the second biggest foreign investor in the country, accounting for 23 per cent of total foreign national.

With other forms of private investments included, such as loans and real estate acquisitions, total Japanese capital exposure in the Philippines was reported as \$364 million in March 1977 by the Japanese Finance Ministry. Only Indonesia and Malaysia, among the Association of Southeast Asian Nations (ASEAN) have more Japanese capital.

Although there has been an "avalanche" of Japanese overseas investments observed worldwide in the last several years, the move into the Philippines was facilitated by the martial law regime, which emphasized attracting foreign investments to the country. Notable is the fact that the Japan-Philippines trade treaty, which had been rejected by the now-defunct Congress,

Yen Credits

Since 1969 there has been a steady flow of Japanese government yen credits to the Philippine government (amounting to \$450 million as of January 1978), obviously calculated to create a suitable environment for Japanese business operations in the country. Notable is the fact that the Japan-Philippines trade treaty, which had been rejected by the now-defunct Congress,

(Continued on Page 6.)



Islands Still Retain Strong Economic, Cultural Ties to Mainland

MANILA (IHT) — The most important foreign relationship maintained by the Philippines is with the United States—the former colonial master. Not only does the United States provide more military and economic aid than any other country, it also buys more Philippine exports than any other.

American businessmen have the largest investment share here, with a book value estimated at nearly \$2 billion. The United States maintains two large military bases in the country, the only ones remaining in Southeast Asia. In addition, the official American presence here (embassy, AID, CIA, Veterans Administration, but not military base personnel) is the largest in the world—some 400 officials and American staff.

The ties go much deeper than official and business contacts, though. There are the cultural ties, which are deep and real, but largely non-quantifiable. During the American colonial period, the United States rulers tamed a few generations to accept and feel comfortable with American thought and culture. This was accomplished through educational programs established both here and in the United States.

Mrs. Imelda Romualdez Marcos, wife of the President, and governor of Metro Manila has said: "I am glad it was the United States that came to us (as colonial ruler) because of the effective transfer of multinational technology and science. Our American experience may have divorced us from the rest of Asia, but it made us go ahead."

(Continued from Page 1)

level of competent reporting took a quantum jump downward.

Of Manila's four daily newspapers (there are no dailies in other cities), one is controlled by the president's ex-military aide, one by Mrs. Marcos's brother, one by a fraternity brother of the President, and one by Mrs. Marcos's official biographer. Of the country's five television networks, four are controlled by the fraternal brother.

Most news and commentary simply repeat and reflect government press releases. A survey commissioned by one martial-law daily showed that readers are simply bored by the papers. Newspaper readership under martial law has dropped to about half (500,000) of what it was during previous times. Meanwhile, reading of comic books has markedly increased, according to the Media Audit Council.

The foreign press does not suffer from the strictures of the local press, but critical foreign publications are not permitted into the country. Foreign correspondents have, on occasion, been followed, arrested and beaten by the military, or have had

between the two countries, but Mr. Marcos has complained that neither one of them lives up to the needs of his country. The Spratleys, which lie in the South China Sea almost equidistant between the Philippines and Vietnam, are contested by China and Taiwan in addition to Hanoi and Manila, but only the latter two have significant military forces in the area.

Mr. Marcos, in December, 1978, turned down a U.S. offer of \$1 billion in economic and military aid over five years for the bases.

Guarantee

The price, according to Mr. Marcos, should not only be an annual payment in cash and aid, but also a guarantee of military intervention should Vietnam try to push the Philippines off the oil-rich Spratley Islands. (There already exists a military assistance pact and a mutual defense treaty.

Mrs. Marcos: *I am glad it was the United States that came to us (as colonial ruler) because of the effective transfer of multinational technology and science. Our American experience may have divorced us from the rest of Asia, but it made us go ahead.*

Last year he told an interviewer that military aid alone could run to "a few billion dollars" if the United States were to supply all of the needs of the Philippine military.

Under martial law, the size of the Philippine military establishment has trebled from 50,000 men to 150,000. From 12 combat battalions in 1972, the country now has 60, and the long-range plan is for 135 battalions. Additionally, there are some 70,000 Civilian Home Defense Force militiamen and 45,000 municipal

policemen, all of whom are now under direct military control. There are also 20,000 private security guards who are available to the military for emergency call up. Thus, total available forces now number some 285,000 armed men.

The United States has provided, in aid and sales, most of the equipment for the military expansion. A new arms factory, constructed with a U.S. Export-Import Bank loan, manufactures M-16 rifles for the expanding forces. The United States provided some 40 warships from Indochina war surplus to the Philippine Navy, making it "the fastest growing navy in Asia," according to a member of the Joint U.S. Military Advisory Group (Jumag). The U.S. government also recently approved the sale to the Philippines of a squadron of F-8 "Crusader" jet fighters.

The rapid military build-up has led to large increases in the military budget. From a pre-martial law (fiscal 1978) P530 million (\$128 million), the military

allotment grew to P29 billion (\$322 million) in fiscal 1976 and to P40 billion (\$476 million) in fiscal 1977—or 20 per cent of the national budget. Meanwhile, the education and culture portion of the budget has decreased to 10 per cent from a high of 30 per cent. Additionally, P1 billion (\$270 million) has been set aside for a five-year military modernization program that began in 1975.

Philippine military planners explain that the main focus of the build-up is counterinsurgency. Fifty of the combat battalions (plus 64,000 militiamen) are deployed against the 10,000 Moro National Liberation Front guerrillas fighting for Muslim autonomy in the south. Five battalions plus militia and provincial constabulary forces are fighting the 3,000 New People's Army guerrillas from northern Luzon to eastern Mindanao. Most of the navy and air force is also deployed against the Muslim guerrillas.

The new agreement on extended use of the military is expected to boost these considerably. Although the bases agreement, signed in 1976, doesn't expire until 1991, negotiations on a new pact by 1978 in deference to the death of Mr. Marcos, and final meant is expected early this year.

The main bases are Clark Air Base, Subic Naval Base, Tuguegarao (occupy 170,000 acres of pine soil and house some American servicemen plus dependents). The United States has no rent for the land, the bases provide direct employment for 43,000 Filipinos, pump some \$200 million into the economy. Part economic windfall is the that GI's spend on the women who work as prostitutes around the bases. At Subic sailors and marines from S. Fleet ships deposit \$50 annually in the entertainment district of the local town.

The main striking point in evolving a new bases agreement, and the concurrent increase in U.S. military and civilian personnel, is the question of human rights. Even before Carter became President, members of the U.S. C were wary of supporting Marcos. As Rep. Don D. Cullum summed it up in a letter to the Philippine government in Washington: "A Philippine citizens are discriminated against and denied their basic human rights and civil liberties, I will not support you to your government, you know, the majority of your colleagues share my view regarding."

President Marcos, in a speech last September, indicated some 65,000 persons had been detained by the military at the beginning of martial law. Some 2,000 are believed to be held in military stockades. Most, however, are held in civilian prisons. The main striking point in dealing with the legal opposition is a sharp contrast with its harshness in dealing with the people who demonstrate in the streets. The reason is that the latter have mass organizations—and that frightens the regime more than the speeches of the old politicians.

The government has claimed that liberal elements within the Catholic Church work with the CPP/NPA. In some few cases this is true. But generally, the Church liberals attack the regime not on ideological grounds, but for alleged abuses of human rights. Martial law has tended to polarize the Church, with the liberal minority speaking from their pulpits against the regime, and the conservative majority demanding an end to martial law.

It is instructive to note that when the legal opposition voices such a demand, it passes unnoticed. But when 5,000 demonstrators take over downtown Manila and make the same demand (as they did on the fifth anniversary of martial law), retribution is swift. Aside from beating and dowsing the demonstrators with water cannons, the military later rounded up some 200 young people believed to be leaders.

The mildness of the government in dealing with the legal opposition is a sharp contrast with its harshness in dealing with the people who demonstrate in the streets. The reason is that the latter have mass organizations—and that frightens the regime more than the speeches of the old politicians.

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One Man Rule With No Legal Organized Opposition

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Although most of the original leaders of the CPP/NPA have been captured by the military, new leaders continually move up.

The head of the NPA, 34-year-old Bernardo Brusayone (alias Commander Dante) was arrested in 1976 while he was sleeping. The government announced in 1977 that his arrest meant the end of the movement. A few months later, 150 NPA guerrillas staged their biggest arms-foraging raid ever, picking up 43 weapons from militiamen 50 miles north of Manila. The chairman of the CPP, 35-year-old Jose Maria Sison, was arrested last November, also while he slept. The government again announced that the back of the movement had been broken. Nevertheless, underground sources claim that the NPA, and possibly the CPP apparatus as well, has been taken over by Rodolfo Sales (alias Commander Bling), a former university professor, with years of experience in the hills.

Aside from the CPP itself, a number of radical organizations have sprung up on college campuses and in the slums of Manila. These groups push for local autonomy in their respective spheres—for example, on campuses, the restoration of student governments, which were abolished by martial law. In addition, they occasionally take to the streets

demanding an end to martial law.

It is instructive to note that when the legal opposition voices such a demand, it passes unnoticed. But when 5,000 demonstrators take over downtown Manila and make the same demand (as they did on the fifth anniversary of martial law), retribution is swift. Aside from beating and dowsing the demonstrators with water cannons, the military later rounded up some 200 young people believed to be leaders.

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The government has claimed that liberal elements within the Catholic Church work with the CPP/NPA. In some few cases this is true. But generally, the Church liberals attack the regime not on ideological grounds, but for alleged abuses of human rights. Martial law has tended to polarize the Church, with the liberal minority speaking from their pulpits against the regime, and the conservative majority

demanding an end to martial law.

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Land Reform Is Bogged Down In a Largely Rural Setting

(Continued from Page 1)
the incidence of TB here is the highest in the world. The high rate of pneumonia is generally viewed as an effect of the prevalence of malnutrition. The government reports that 50 per cent to 70 per cent of all Filipino youngsters are malnourished. Mrs. Marcos has set up a nutrition center, which strives to teach mothers how to prepare more nutritious meals according to data held by the Department of Agriculture. Nutrition seems to be caused mainly by purchasing the more expensive foods. According to data, food intake, especially certain foods such as fish, eggs, rice and meat, has declined significantly. The average Filipino family is eating less adequately now than it did five years ago.

Some data recently released by the last (1975) census show that prior to martial law (1971), average family spent 83.7 per cent of its budget on food. By 1975, this figure had increased to 90 per cent, while families have compensated for the higher food costs by scrimping on housing, clothing, household operations, family festivities, according to the census data.

The double-digit inflation under martial law is generally believed to be caused by deficit military spending and large domestic and foreign borrowing. At year-end 1977, foreign debt stood at \$8.5 billion, up from \$2 billion when martial law was imposed in 1972. Our creditors are the United States, the World Bank, Japan, the Asian Development Bank and others.

Age earners, whether blue or white-collar, have not been able to gain salary increases to combat the inflation. In the case of white-collar workers, real wages declined by one-third since Marcos became president in 1965. Most of the decline has since martial law. Under martial law, strikes have basically outlawed, which is one reason why wage increases have been less frequent. There have been hundreds of illegal strikes, however, thousands of workers have been temporarily detained by the military.

For the middle-class white-collar workers, the 1975 census

shows that the middle 50 per cent of all Filipino families (between the bottom 40 per cent and the top 10 per cent) found their share of total income reduced from 1971.

The government's wage commission computed in 1975 that a family of five in Manila needed to spend a minimum of P80 (\$4.05) daily for the necessities of life. However, the government-set minimum wage is P10 per day. The government contends that it is better to have more people employed at low wages than fewer people employed at high wages, although there is no local data to show that higher wages result in reduced employment. The government also contends that in the past the labor movement was disruptive to production, and that labor rights must thus be curtailed in order to boost production so that all may earn more at some future date—the year 2000 is often mentioned.

Rights and Rice

Former Foreign Secretary Salvador P. Lopez, recently attached these cautions: "It is argued that it may be necessary to sacrifice individual rights to advance the common good... What usually happens [however] is that even though Juan has been deprived of his [right], Pedro is still without his full bowl of rice... The chances are that if a man opts for food without freedom, he will end up without food as well as without freedom."

Still, many people have done amazingly well during the five years of martial law. These are mainly the big business elite and the people who work for them. New car sales are about 35,000 annually, mostly of small family cars for the young technicians and middle-managers working for government and the business elite. Small houses in new subdivisions are filling up with these same families.

In Manila, new cafés, boutiques, and shopping centers do a brisk business among the elite and the rising technocratic class. Resorts, tennis clubs, health and reducing salons are a growing aspect of life under the government's New Society.

Probably the most notable fea-



A terrace of rice paddies deep in the country.

ture of this New Society is the new Manila. From an agglomeration of wayward business neighborhoods a decade ago, Manila has become a bustling skyline of new hotels and plush office buildings alongside an ever more polluted bay. It is a city designed to attract foreign investors and foreign tourists—and it does well in this regard.

But it has also taken a disproportionate share of the government's expenditures. The 14 new hotels plus a convention center cost about P4.5 billion (\$808 million), mostly in government loans that are now being defaulted. Manila gets the lion's share of monies for roads, electricity, communication, aviation, and government housing. Likewise, Metro Manila residents account for 50 per cent of all apparel purchases in the country, and 80 per cent of all car pur-

chases. But it is the provinces, with their forests, mines, plantations and fish, which produce most of the country's wealth.

The imbalance in infrastructure has caused Manila's population to grow at 5 per cent annually, fueled by rural folk attracted by the wealth and government-supplied services. (In comparison, the national population growth rate is given as 2.6 per cent.)

Two Major Goals

In the past few years, rice farmers have noticed gains in real incomes, thanks to increased production spurred by the government's successful program of providing easy credit to rice farmers for fertilizers and pesticides. However, purchases by farmers of durable goods such as clothes and radios send the money right back to Manila be-

cause that is where most of the country's goods are produced.

One of the regime's leading thinkers, Ondore D. Corpuz, president of the state-run University of the Philippines, once said that the two major goals of the New Society were the lessening of inequalities in personal income and in regional wealth. He noted that the first goal was still too difficult to tackle, and the second one, although being attempted, was seemingly not getting any nearer.

Some of the attempts are worth taking note of, however. Chief among these is the attempt to set up regional planning. The long-range goal is to disperse industry (and the infrastructure that supports it) among the country's 13 regions. Prior to martial law, there was little planning of any type, and if a town or a province was

even a new road or an electrification system by the national government, it was because a particular local official or congressman from that area had political clout. Under martial law, road building, irrigation programs, and planning staffs. (The 13 regions cover the country's 75 provinces.)

Regional planning staffs now

assess the infrastructure needs of their respective regions, and submit detailed programs to the national government for further study and final inclusion. If approved, into the national budget. Observers feel that this sort of coordinated planning would never have been possible in so short a time had it not been for martial law. However, they also feel that as Mrs. Marcos is the voice of Metro Manila, the lesser voices of the outlying regions will con-

tinue to find it difficult to be heard.

Mrs. Marcos's argument that a beautiful Manila is necessary in order to attract foreigners is probably sensible, given the economic problems of the country.

The main problem in simple terms is how to harness capital for investment in productive enterprises that will provide employment for the 500,000 new workers joining the work force annually. Filipino entrepreneurs have been generally reluctant to invest their capital in areas where the risk is great or profits likely to be small. Filipino corporations are normally family-held operations, and this tends to make the management conservative. Profit margins in Philippine business are said to average 35 per cent.

Chinese-Philippine corporations, on the other hand, are said to have lower profit margins and rely on volume sales. The Chinese concentrate on textiles and food processing as well as all types of commercial activities.

This kind of profit expectation means that a local entrepreneur will not start up an import substitution enterprise unless he receives considerable assistance from the government to keep out competitive foreign merchandise. Nor will he get into an export industry unless he receives concessionary government financing. Thus, domestic capital plays it safe by investing in real estate, raw material exports, luxury goods imports, and domestic marketing and services.

Foreign Capital

Faced with this hesitancy on the part of domestic entrepreneurs, and finding it politically inexpedient to socialize capital for direct government investment, the Marcos administration has turned to foreign enterprise for both investments and loans.

The Philippines has become a fertile area for foreign capital, and the Filipino elite are those who have important tie-ups with foreign firms. Although foreigners, faced with pre-martial law policies reflecting economic nationalism, had been distasteful, they came back with a rush following Mr. Marcos's one-man takeover.

Foreign investment jumped from a pre-martial law (1972)

level of \$43 million to \$73 million in 1973 and a high of \$198 million in 1974. Overall, foreign investment has exceeded domestic investment under martial law.

This has helped to form a new elite notable for its close links with the First Family, as well as its ties to foreign capital. Chief among this elite are Roberto Benedicto and Hernando Diñal.

Mr. Benedicto was a fraternity brother of the President, and under martial law is the president's man in the nation's lucrative sugar industry and sugar trade. He has also become a media and hotel czar, as well as controlling firms dealing in banking, shipping, sugar mills and a gambling casino. His chief foreign tie is with Marubeni Corp. of Japan.

Mr. Diñal is a cousin of Mrs. Marcos by marriage. According to Westinghouse Corp. of the United States, he was instrumental in helping them secure the prime contract for the \$1-billion nuclear power plant now being constructed outside Manila. His fee was reportedly "a few million" dollars. He controls a conglomerate of firms involved in cigarette filters, banking, textiles, computers, airline charters, heavy machinery sales, and construction. He has ties not only with Westinghouse, but with Japanese and Swiss firms as well. Nevertheless, both Mr. Diñal and Mr. Benedicto recently lost their foreign banking partners.

The Marcoses themselves have grown wealthy during their years in the presidential palace, though it has never been revealed how this has come about. A U.S. magazine (*Cosmopolitan*) judged Mrs. Marcos one of the ten richest women in the world. As for Mr. Marcos, his family's foundation last year donated \$1.5 million to an American university (*Tufts*) in exchange for the endowment of a professorial chair in his name.

Neither the President nor his wife were considered wealthy when they entered the palace in 1965, and in fact had to rely on funds from the oligarchs to carry on their first and second presidential campaigns. One Filipino politician explains the rationale for their buildup of wealth: "Wealth is necessary in order to exercise political power."

—R.W.



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Transport Is Needed for Dispersing Industry and Population

By Bernie Ronquillo

MANILA (IHT).—The decreasing daily traffic jams in this city would seem to show that Filipinos have suddenly become a nation of car owners.

Actually, the Philippines has only about half a million motor vehicles, or one for every 90 persons, according to records of the Land Transportation Office. But most of these vehicles, especially the auto, are concentrated in the Manila area where more of the affluent Filipinos live. With the expansion of Metro Manila to include four cities and 13 municipalities, close to 20 per cent of the 45 million Filipinos will by now be residing in the capital city.

Efforts are now being exerted to disperse industrial growth and population. Government policy on infrastructure development seeks to continue giving stress to the construction of roads and bridges in the provinces in order to open new areas for agricultural production and the setting up of new industries all over the country.

President Ferdinand E. Marcos' top policymakers have called attention to the fact that in the first ten years of his administration (1965-1975) the Marcos government has constructed more roads, bridges and other infrastructure than have all past administrations from the Spanish and American regimes to the previous administrations under an independent Philippine Republic.

Based on existing plans, which cover a 25-year period to the year 2,000, the Philippines is just beginning to hit its stride in highway construction. The Five Year Plan (1973-1978) alone envisages the construction of 31,538 kilometers of roads and 53,763 linear meters of bridges at an estimated cost of \$1.4 billion. This plan calls for the completion in 1978 alone of 6,000 kilometers of roads at a cost of \$258 million.

Rural Roads

The Secretary of Public Highways, Batasan Aquino, has predicted that by the year 2,000 the country will have built about three times as much mileage of roads as it has now. This will bring the ratio of roads per square kilometer of land area from 0.39 today to 1.3 in another 22 years. Emphasis, according to the highway secretary, is being given to rural road networks, and to maintenance of heavily traveled roads to keep such facilities in good operating condition and minimize the need for large capital outlays for new construction. Last year the department boasted a 99 per cent rating in the completion of road projects costing \$224 million. Among the most notable was the completion of the \$54-million Manila North Expressway extension from Bulacan to Angeles City (Pampanga Province) on Luzon island, the Cagayan Valley road and the Urbancita-Dagupan-Damortis highway, also on Luzon.

Being potentially the richest island in the country, Mindanao is getting increasing attention in the national road-building program. Improved roads in Mindanao include the 300-kilometer Iligan-Cagayan de Oro-Butuan road, the 122-kilometer Buldum-Davao road and the 26-kilometer Police Port access road. Almost completed is the Surigao-Agusan-Davao road portion of the Pan Philippine highway, otherwise known as the Philippine-Japan Friendship highway, a 3,000-kilometer road network that will link the country's three main island regions—Luzon, the Visayas (in the central portion of the archipelago)

and Mindanao—starting from Aparri in northern Luzon to Davao City in southern Mindanao. This cross-country highway is itself about 97 per cent complete, according to Secretary Aquino.

When the Pan Philippine highway is completed, a motorist will be able to travel from the northernmost point on Luzon to the southernmost point on Mindanao island. After driving to the southern tip of Luzon island, he will be ferried to Samar island, which is separated from Luzon by the San Bernardino Strait. Then he drives to Leyte island by crossing the new one-kilometer Marcos Bridge. From southern Leyte he again takes a ferry that will take him to Surigao on Mindanao island from which point he can continue driving south.

Included in the five-year road-building program are the construction of ferry boats and terminals for the Pan Philippine highway, construction of 1,605 kilometers of major and feeder roads under the third and fourth World Bank lending programs, construction of 1,000 kilometers of access roads under the Philippine-Japan highway loan project, and many more road, bridge and airport runways all over the country.

To remedy this problem, the government has embarked on a program to improve harbor and

port facilities and augment and modernize the country's maritime fleet. A new international port is being developed in the Manila North Harbor, which heretofore has been used exclusively by inter-island vessels. The Philippine Ports Authority, created to take over the operation of some 316 ports in the country from the Bureau of Customs, is now managing and supervising activities in 618 public and 200 private ports, piers, wharves and berthing facilities located mostly along the trading and industrial coastal areas.

Although tonnage of ocean-going vessels grew from 710,000 deadweight tons in 1976 to 1.19 million dwt in 1977, this is hardly making a dent on the critical problem of replacing obsolescent vessels and expanding the overseas as well as inter-island shipping facilities so as to promote the country's domestic and foreign trade. Philippine flag carriers account for only about 10 per cent of the country's foreign commerce. Because of the dearth of bottoms, Philippine shippers continue to complain of the high cost of transport in both the inter-island and overseas trade. It is also claimed in local shipping circles that more than half of the inter-island vessels are more than 20 years old and need replacement.

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Joint Venture

The Maritime Industry Authority, for its part, has launched a 10-year development program costing \$135.5 million that calls for, among other things, the acquisition or construction of over 40,000 gross tons of inter-island passenger and cargo vessels; 215,000 gross tons of barges, lighters and tugboats; and 220,000 gross tons of ocean-going ships.

A private corporation, Batasan Shipyard and Engineering Co.

(Baseco), which took over the government-owned National Shipping and Steel Corp., is going into a joint venture with two state corporations—Luzon Stevedoring Corp. and National Development Co.—to establish a major shipbuilding facility at the Batasan Export Processing Zone capable of building vessels of up to 20,000 deadweight tons. The company will be producing vessels no lighter than 3,000 dwt, and it scheduled as its first project the construction of a 6,000-dwt cargo carrier.

For a developing country, the Philippines may be said to have been quite far ahead of similarly situated countries in the development of air transportation. In prewar days when the Philippines was still a colony of the United States, there were at least two air transport companies operating, one flying single-engine planes between the neighboring islands of Iloilo and Negros and the other flying between Manila and Baguio City on Luzon island. The latter was later to become the Philippine Air Lines (PAL), the national flag carrier that now

operates international flights to Europe, the United States, and within Asia.

Up to the early seventies, two other airlines were competing with PAL for the domestic airline traffic—Philippine Orient Airways and Air Manila, both of which had plans of going international. All three were losing in their domestic operations, with PAL generally making enough money in its international and servicing operations to offset its losses on the inter-islands routes. As part of its policy to rationalize the operations of the industry, the martial-law government decreed that there should be only one airline to serve both the domestic and international routes. Philipines was absorbed by PAL, and Air Manila was permitted to operate only as a charter airline.

Open Skies

Last year PAL's ownership and management passed from private to government hands. The reason for the decision of the private owners headed by Benigno Toda Jr., the airline's pres-

ident, to sell out to the government was that they did not have the resources to finance the airline's expansion. Besides, the airline's interests and those of the government were in conflict for some time, finally adopting the "open skies" policy for the airlines to support its program building up the country's tourism industry. PAL feared competition from the foreign, especially American, airlines and wanted to restrict their flights to the Philippines. After the government acquired the private owners' share through takeover by the Government Service Insurance System (GSIS) Chairman and General Manager Roman Cruz Jr. succeeded Mr. Toda as president of PAL.

Under this more liberal policy toward foreign airline participation in the Philippines' international flight services, the Philippines has been able to have weekly flight frequencies from 32 to 300. It is proposed to boost this to 400 a week in order to attain the Department of Tourism's target of bringing in at least one million tourists by 1980.

The Philippine Long Distance Telephone Co. is an expanded version of a prewar company that is today one of the most profitable among the country's top 10 corporations. But it has not grown fast enough in its facilities to catch up with the much greater requirements of a burgeoning population.

Although its services meet of Metro Manila and accounts for some 83 per cent of all telephones in the country, PLDT's total telephone lines of less than half a million are considered hardly adequate to meet the mounting demands of a rapidly growing country.

Siemens AG of West Germany recently won a contract to supply PLDT with some \$100 million worth of equipment for its expansion program. This project will, however, add only about 60,000 telephone lines in the Manila area in two years' time, or by 1980.

Despite Setbacks, Trade Balance Improving

MANILA (IHT).—Despite setbacks in the world market for its leading commodities in 1977, the Philippines was able to increase export earnings by 17 per cent to a total of \$2.5 billion last year.

At the same time, the increase in imports was only 5 per cent, to \$3.2 billion. This latter development, although it reduced the trade deficit to \$677 million from \$877 million in 1976, was viewed with some dismay since it confirmed a slackening of industrial expansion through a reduction of plant imports. The World Bank, in consultation with the Philippine government, has suggested that imports should be allowed to increase by 14 per cent annually, while exports must increase by 16 per cent per annum.

The trade deficit last year was caused by invisible foreign exchange earnings from tourism and labor exports. When additional dollar inflows from investment and loans are included, the balance of payments shows a \$70 million in the black. This is a turnaround from 1976's balance-of-payments deficit of \$161 million.

With prices of sugar and copra expected to recover this year, Philippine export earnings are projected to exceed \$3 billion for 1978. But the Philippines is likely to show a trade deficit until 1980 because imports, which continue to run ahead of exports, will rise further to over \$4 billion in 1978. This is because the country's total petroleum import bill is expected to rise further and because the government is stepping up its infrastructure program, which will require increased imports of machinery, equipment and producer goods.

The pattern of the country's foreign trade has improved in the last decade or so. This has been due largely to conscious government policies aimed at diversifying markets and expanding the list of exportable products and sources of supply. On the whole, foreign trade has grown steadily at an average rate of approximately 10 per cent annually despite unforeseen adverse developments like the quadrupling of oil prices since 1973, which has affected the growth of export industries, and the setbacks suffered by such major pillars of the economy as sugar, copper and other primary products.

The main objective of this trade arrangement was to make the Philippines less dependent on the U.S. market and consequently oblige the country to diversify its markets and also its exports. At the start of this new arrangement, Philippine trade with the United States accounted for 70-to-80 per cent of the country's total overseas commerce. Today trade with the United States accounts for less than 30 per cent of the total, with 28 per cent of total exports still going to the United States but only 22 per cent of Philippine imports being supplied by that country in 1976.

The gradual diminution of tariff preferences for Philippine products entering the United States, and the end of special ties on July 4, 1974, made it necessary for the Philippines to develop new markets; while the termination of preferential treatment for American products entering the Philippines had made imports from other countries, especially from Japan and other capital-goods manufacturers, more competitive in the domestic market.

The country to have benefited most by the tapering off in U.S. preferences on the domestic market is Japan, which now supplies about 27 per cent of the Philippines' imports but absorbs only about 24 per cent of Philippine exports. Unlike trade with the United States, which gives the Philippines a comfortable surplus (exceeding \$100 million in 1976), trade with Japan resulted in a sizable deficit for the Philippines, hitting the \$355-million level during that same year. Also, while the bulk of Philip-

pine exports to the United States consists of processed or semi-manufactured products like copra oil, sugar and garments, exports to Japan are largely raw materials like copper and other basic metals, copra and logs.

The European Economic Community (EEC) has increased its share of Philippine trade, taking about 19 per cent of Philippine exports and supplying 12 per cent of imports in 1976, likewise turning the trade balance into the Philippines' favor.

Mainly because of the quadrupling of oil prices, the Middle East countries now supply some 17 per cent of the Philippines' total imports while taking only about 3 per cent of this country's total exports. Of the Philippines' total oil import bill, exceeding \$1 billion for 1977, from 85-to-90 per cent was supplied by Middle East countries, particularly Saudi Arabia, Kuwait, Iraq, Iran and Bahrain.

The Socialist countries, especially the People's Republic of China and the Soviet Union, are now increasing their share of the Philippines' overseas trade, accounting for over 3 per cent of the total in the last two years. About 6 per cent of Philippine exports are absorbed by the Socialist states, but less than 2 per cent of Philippine imports are supplied by these countries.

Trade With ASEAN

Because most of the potentially large markets in Southeast Asia are developing countries and primarily agricultural, trade among them has remained negligible. The Philippines until a year ago was exporting less than 5 per cent of its products to the other members of the Association of Southeast Asian Nations (ASEAN). It was importing about 70 per cent of its requirements (largely oil from Indonesia) from its neighbor countries.

The members of the ASEAN, however, hope to develop a common market among their combined quarter-of-a-billion people and have decided to establish limited preferential trade among themselves starting in 1978. Through negotiation and voluntary offers, the five members of the regional bloc—Indonesia, Malaysia, the Philippines, Singapore and Thailand—agreed to give one another preferential treatment on over 500 commodities.

But it will probably take more than a decade before the effects of preferential trade will boost the exchange of goods and services among the ASEAN states to a level that would approximate trade with the United States, Japan or the EEC. However, through a broadening of the list of commodities now accorded preferential treatment and growing industrialization in the region, trade among the members of the ASEAN could grow rapidly and a proper sustained industrial development in the region.

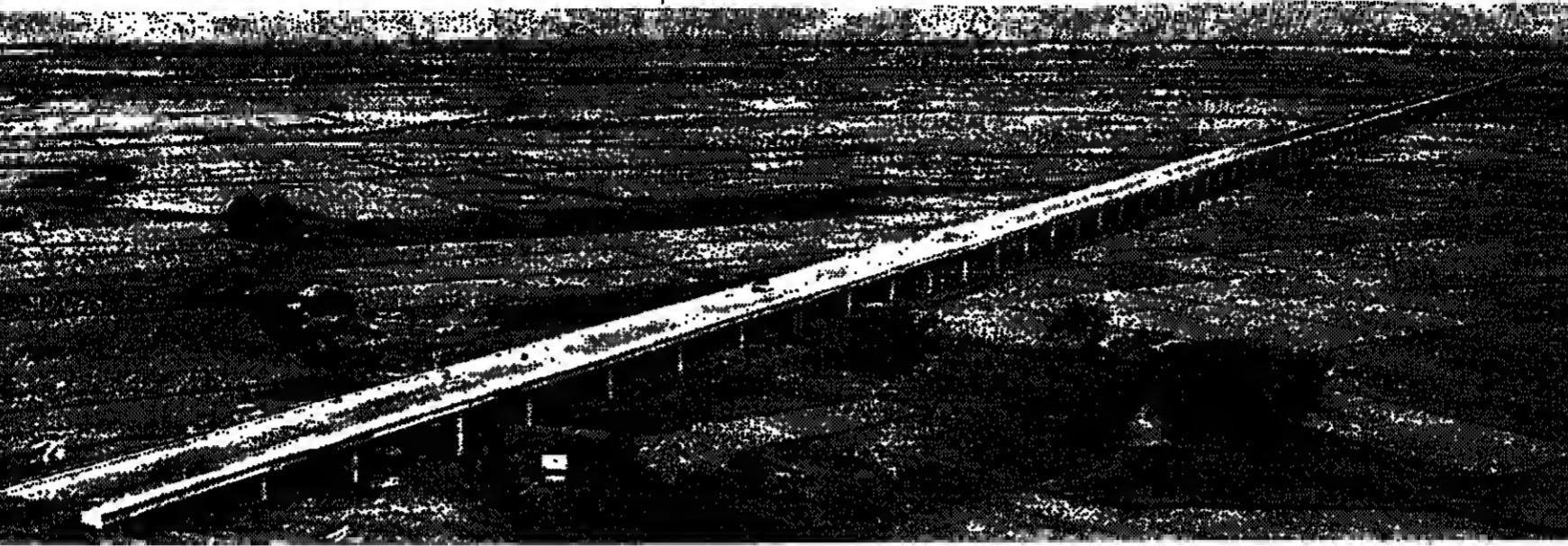
The shift from exports of raw materials and primary products instead of mainly raw materials.

Philippine official policy is to strengthen trade relations with traditional trading partners like the United States, Japan and the EEC while developing trade with non-traditional trading partners and the rest of the world. This is the reason why current talks are being conducted to improve trading arrangements with the United States to replace the expired Laurel-Langley Agreement and with Japan to get that country to buy more processed goods instead of mainly raw materials.

At the same time, the Philippines is exploring new trade frontiers to expand its country's international trade horizons.

Last year the Philippines increased its trading partners to 150 countries, compared to only about 130 a year before. It had surpluses in its trade with some 98 countries and deficits with 62,

although overall the Philippines continued to incur a trade deficit.



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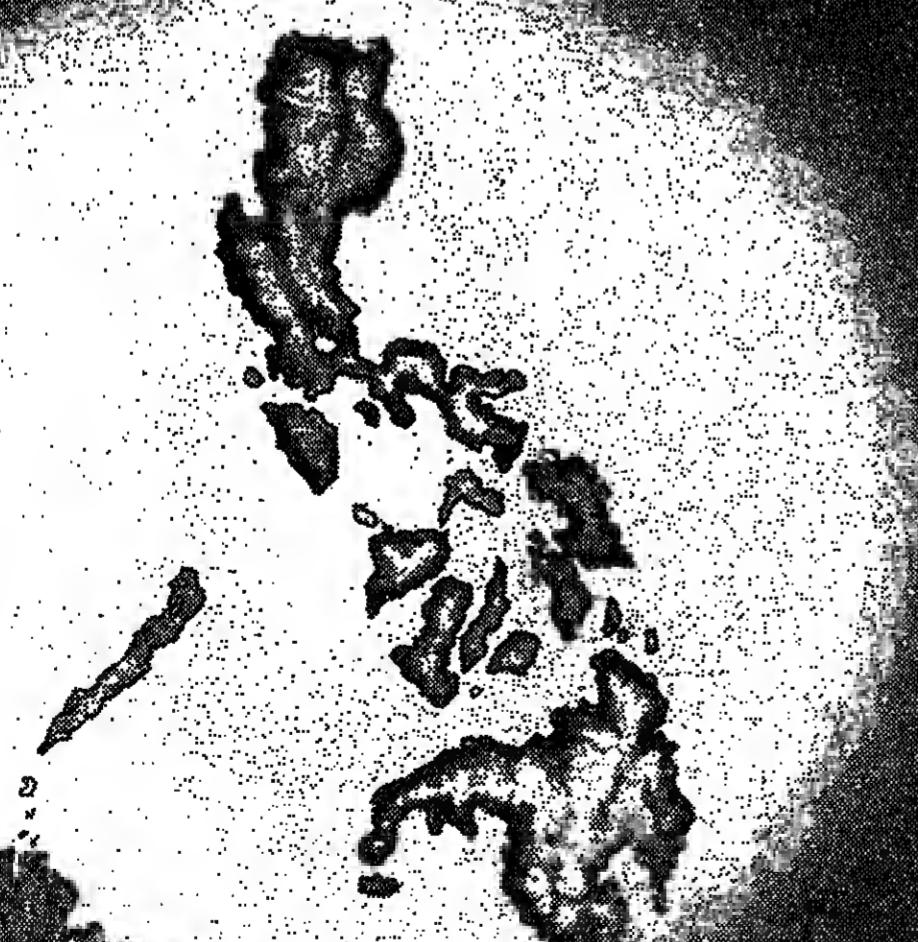
The Philippines ranks as the educational center in Southeast Asia, attracting students from all parts of the region. Thus, over the

years, the country has become a major source of skilled manpower and of managerial expertise.

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Tourism: Endless Possibilities to Explore in the Provinces

By Donna Reginsky

MANILA (IHT).—The Philippines did not treat its first European visitors too well. When he wore out an initially warm welcome, the Portuguese explorer Ferdinand Magellan was killed by a Filipino chieftain, and his men were massacred on the beach.

As the years passed, the country's good points were overshadowed by its bad. Who wanted to visit a country with a reputation for violence—daylight hold-ups and nighttime kidnappings, wars and political feuds?

It is felt that the declaration of martial law changed much of this. The improved situation coupled with the country's reputation for hospitality, low prices and scenic beauty have induced many travelers to reconsider the Philippines. Tourist arrivals jumped from 144,321 in 1971 to more than 600,000 last year. And if the Philippine Department of Tourism should manage to meet its target, the figure will reach one million by 1980.

The Action

Nearly everyone begins a Philippine visit in Manila, the country's most popular tourist destination. Though it offers few traditional tourist attractions (most of the historic city was leveled by devastating bombing raids at the end of World War II), Manila has always been where the action is. It has the country's best hotels and restaurants, its swingiest nightspots and biggest stores, its fullest cultural calendar and most outspoken citizens, and its greatest contrasts—between rich and poor, old and new, East and West.

Manila visitors can easily discover this for themselves. Tourists can now take their pick of 15 first-class hotels. The competition among them (most were built only a year and a half ago for the conference of the International Monetary Fund—World Bank and room capacity still far exceeds demand) may be a high-rise pain for the profit-and-loss men, but it is a bonanza for tourists looking for good service and low prices.

In their bid to win customers, Filipinos and foreign—Manila's hotels are also engaged in culti-

nary battles with one another and with the city at large. Executive chefs vie in offering the best in continental and oriental food, and even if their efforts are not always successful, they have moved Manila a few rungs higher on the gastronomic ladder.

Competition also extends to the entertainment scene. Hotels, nightclubs and cocktail lounges fight for the best in local talent. The result is to make even livelier a night scene which, with the lifting of curfew last year, is regaining its old reputation as possibly the liveliest, and certainly the most affordable, in Asia.

Shopping is getting better, too. Though Manila cannot offer the duty-free bargains of Hong Kong or Singapore, it is far

from being a handicrafts-only outlet. Special shopping centers offer a wide variety of foreign and domestic goods, the latter attractive enough in price and design to induce thousands of Hong Kong Chinese to visit every month to do their shopping. Some of them are even having

their clothes tailored in Manila, finding that the city's tailors offer fine workmanship at low prices.

Handicrafts still play an important part in the Manila shopping scene. Shellcraft, raffia, baskets and woodcarvings are among the most popular items.

Their quality varies as does the price. Outlets are numerous, though the best bargains are usually found in large open-air markets.

However, the very best of what the Philippines has to offer lies outside its capital city—in the provinces. Several of the more

popular provincial destinations are already well known to tourists: Tagaytay, on the rim of the Philippines' smallest but most active volcano; Pagsanjan, for shooting rapids; Corregidor and Bataan, where Filipino-American forces made their last stand in 1942 against the Japanese; Ba-

guio, the mile-high city whose crisp climate and pine-clad hillsides give it an ambience more Alpine than Asian; Banawa, with the rice terraces some call "The Eighth Wonder of the World"; Zamboanga, an old Spanish fortress town now a small bustling port surrounded by white sand beaches. There are also the Muslim villages on stilts and, sadly, thousands of troops trying to quell the secessionist movement in Mindanao.

As might be expected in a country with a tropical climate and 7,107 islands, the Philippines' prime attraction for many visitors is its beaches.

Some beaches are just the other side of paradise, with their white sands, clear waters and colorful sea life. Spectacular diving

grounds abound. The Philippines is the world's main source of decorative and aquarium fish as well as rare and beautifully drawn shells. The richest diving grounds are in northernmost Luzon, especially around Mindoro, the areas around Mindanao, the Cebu, Iloilo and Busuanga Islands; the Bugsuk group of islands off Palawan; and the region around the Davao Gulf.

Diving tours are available for both professionals and amateurs. Group rates start at \$20 per person a day and include transport, accommodation, meals and rental of equipment.

The country's best beaches are often its most inaccessible, but there are some worthwhile exceptions. Balete, off the southwest coast of Luzon, and Stocon, off Panay Island in the Visayas, are among the most luxurious beach resorts to be found in Asia. Balete has chosen to limit development to a dozen cottages, and admission is to select groups only. Stocon, on the other hand,

is its beach. Spectacular diving

A Pioneer Company With Several New Enterprises

MANILA (IHT).—San Miguel Corp., the Philippines' publicly owned corporation, is not only a pioneer in the establishment of several new enterprises, but it is the most diversified food processing and industrial firm in the country today.

Established in 1900 primarily as a beer manufacturer—the first in Southeast Asia—San Miguel for a number of years was consistently the top corporation in sales and earnings. After the fourfold increase in the price of oil, San Miguel lost its premier position as corporate leader to the big oil companies, including the government-owned Batangas Refinery Corp., which is now the top corporation for sales and assets, and to Petrophil Corp., another state-owned firm. In 1977 San Miguel was behind three oil companies (including Philippines Shell) in sales, but was third in

products. It processes milk and makes ice cream; it is also engaged in poultry raising; and to assure continued growth and stability of this industry, it went into feed manufacture. It grows rice and corn as part of its agricultural expansion program aimed at developing new sources of raw materials and strengthening an indigenous base for its food processing operations. Soon it will be raising mushrooms for export.

Corporate Growth

In the last ten years alone corporate growth has been phenomenal under the executive direction of the Soriano brothers—Andres Jr., president and executive vice-president-treasurer, respectively. Sales rose from \$61.6 million in 1967 to approximately \$338 million in 1977; net profit grew from \$6.35 million in 1967 to around \$27 million in 1977. Ten years ago San Miguel already had 11,000 employees and workers on its payrolls. Today the work force has grown to 21,000 and is exceeded only by the work force of the Philippine government and the U.S. military. The number of stockholders has also grown progressively, from 12,000 in 1967 to nearly 17,000 today.

Taxes paid by government corporations, San Miguel, was incorporated in August, 1913, as San Miguel Brewery and reincorporated 51 years later as a Philippine corporation under its present name. It has branched out since its establishment into the manufacture of some 30 product lines ranging from soft drinks and foodstuffs to construction materials and industrial

products. It processes milk and makes ice cream; it is also engaged in poultry raising; and to assure continued growth and stability of this industry, it went into feed manufacture. It grows rice and corn as part of its agricultural expansion program aimed at developing new sources of raw materials and strengthening an indigenous base for its food processing operations. Soon it will be raising mushrooms for export.

What has made San Miguel a model in corporate growth is its enviable record as a steadily rising public corporation. Today it has some 17,000 shareholders who continue to enjoy quarterly cash dividend payments at a time when many of the major corporations in the Philippines have had to suspend dividend payments owing to narrowing or disappearing profit margins. When most enterprises in the country were family-owned, San Miguel was offering shares to the public to finance expansion of existing facilities or set up new pioneering industries. Andres Soriano sr.,

who was president of the company from 1931 to 1974, was credited, more than any other top management man in Philippine business, with propagating the corporate concept as well as the impressive growth and corporate record of San Miguel. He has often been referred to as the father of the public corporate idea in the Philippines. Subscribing to the business philosophy that progress is possible only through acceptance of change, development of new opportunities and adherence to the sound concept of "profit with honor," the late "Don" Andres, as he was generally referred to in Manila's Hispanized society, started to make changes in San Miguel's manufacturing setup to affect savings in costs with the imposition of duties on many of the imported supplies required in the company's brewery and bottling operations. Among the previously imported items that began to be manufactured locally soon after the last war were the glass containers, metal and plastic closures, labels and other packaging products.

Don Andres, through San Miguel's phenomenal growth and burgeoning resources, carried the public corporate concept further through establishment of new pioneering enterprises that today

are among the biggest widely owned corporations in the country. He conceived the plan of setting up the first large disseminated copper mine (Atlas Consolidated Mining and Development Corp.)—the largest open-pit mine in Southeast Asia; the first integrated pulp and paper plant (Paper Industries Corp. of the Philippines); and a number of other enterprises in which San Miguel has some \$22 million invested with a market value of around \$47 million. These include companies engaged in the manufacture of wire rope, steel drums, polypropylene woven bags, ramie fibers and fabrics, prestressed concrete and cement, coconut oil, coffee, infant foods and flour, and also tourism facilities like hotels.

Overseas

San Miguel may also be considered a pioneer among Philippine corporations that are expanding overseas. A modest multinational by international standards, it has made investments in Hong Kong, Papua-New Guinea, Indonesia and Spain. It also invested in a brewery on Guam but decided to pull out not long after in favor of building new facilities in Southeast Asia and the South Pacific. Its "overseas

investments as a whole (\$2.7 million as of end-1976) have turned out to be profitable, with an estimated market value of \$42 million.

Like many of the more enlightened conglomerates that believe in identifying themselves with the public and attaining sustained growth on a broadening public-ownership base, San Miguel also subscribes to the concept that a corporation must have a social conscience.

San Miguel, along with the big enterprises managed by Soriano and Company (through their holding company, Anson Corp., with over 30,000 stockholders), led some 100 corporations in organizing a foundation now known as Philippine Business for Social Progress (PBSP).—The PBSP, which came into the picture in the early 1970s when the need for social action projects was becoming urgent owing to growing restlessness among the unemployed and low-income groups, assists depressed or disadvantaged segments of the community. Each of the corporate members sets aside 1 per cent of its gross income before taxes to help fund social development projects such as manpower training and the acquisition of skills among the unemployed.

—R.R.

Not as well developed as Balete or Stocon but likely to rival them before long is Puerto Aqual, a ten-year, \$100-million project in Cavite province, begun in 1976 and due to accept its first guests in 1979. A private project granted generous government loans as well as publicly financed infrastructure improvements, Puerto Aqual will include a 27-hole golf course, complete sports and recreational facilities and 1,500 rooms (spread out among several small units rather than one large hotel).

Though it lacks a beachfront swimming area, Punta Baharia, a two-hour drive south of Manila in Batangas province, is considered by some to be the country's premier resort. Another favorite is Hidden Valley. Located in the forested inner recesses of an extinct volcano, Hidden Valley has five natural pools almost hidden in the jungle greenery.

These are the most well-developed of Philippine scenic attractions. But for a visitor willing to leave behind big-city conveniences and explore on his own, the list of possibilities is almost endless.

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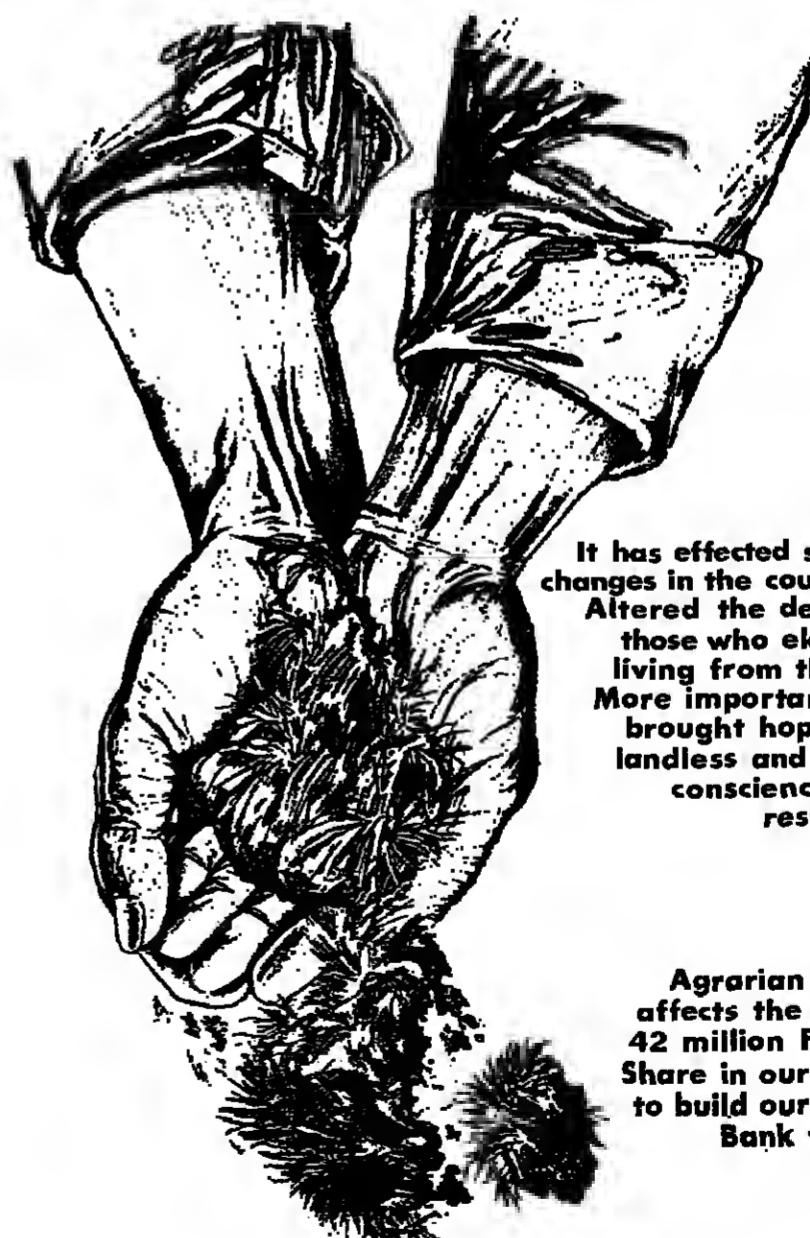
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'My Only Luxury Is to Sleep in the Cool Church on a Hot Afternoon.'

By Mila Lahoz

MANILA (IHT)—We are both Filipinos, you and I. Yet we are not the same. You are far from me, you move in a different world. I'm a farmer, and my world is the rice fields and the meadows. Look at my hands and my feet—they're thick and dirty. But a professional like you, you work in an air-conditioned office. Your hands are soft and fine."

Indeed, Mando the farmer believes that there is a vast difference between himself and myself—the rural and the urban Filipino. Yet most Filipinos all over the country are more alike than Mando thinks. For poverty and survival have marked their daily lives and have bound them to the same basic aspirations and struggles, to similar ways of living and thinking and coping.

Poor but flamboyant, Filipinos live their lives with acceptance and good humor. In the cities, the fatigue of daily life is washed away in beer gardens, amid easy camaraderie and raucous laughter. In the countryside, farmers end their day preening their fighting cocks, gossiping over a gallon of coconut liquor.

Everywhere, abuse is accepted from the top, and passed on to the guy below almost without malice. Jesus and the saints are invoked as benefactors to bring about the miracle of a job, or the recovery of a tubercular husband.

Family and kinship ties are constantly strengthened, a vast net on which to fall back during harder times. And within every Filipino is a fierce will to survive—to keep afloat, and perhaps, to overcome the situation and make a better life.

To make a better life, many Filipinos look for better-paying overseas jobs, and some 100,000 skilled workers a year get them. Leonardo, a construction worker, prays for one of these contracts: "I live at the construction site in order to save on transportation, so I see my family only on Saturday nights. When I leave them on Sunday morning, I pass by the church, and I pray that I'll get a job abroad."

"You see, I have already applied for a construction job. I have filed all the needed papers. I'm willing to work even in Saudi Arabia. If I stay here, I will be



A vendor in a market place.

able to get only enough to eat, to feed my family. But they won't have a good future."

Since not everyone is lucky enough to get an overseas job, Filipinos look to education as the key that will unlock the door to a better life. Ester left the farm at 14, and found work in Manila as a housemaid. Even though her wage is only P90 a month, she says: "I sent a brother through high school, and a sister through a dressmaking course. And now that my brother works as a soldier, he helps send the younger ones to school. I just hope he doesn't get married yet. My sister will also help once she starts to earn as a dressmaker."

I myself reached only fourth grade, but it doesn't matter. I just want the younger ones to have a better chance, a better life, than mine."

In the struggle to get ahead, it is every man for himself. Mario, a small tobacco farmer, describes how he sells his carefully tended tobacco leaves to the only middleman in town: "I sprinkle fine dust over each leaf, so that they will weigh more. But when the

Chinese buyer appraises the quality of my leaves, he singles out the sheet with the worst color, and quotes a low price for my whole stock, based on that sheet. And I can't sell to anybody else. So we're really cheating each other. Since I know he'll cheat me anyway, I might as well cheat him, while I can. But the Chinese cheats me more than I can cheat him."

In order to make or save an extra peso, no effort is too small, no gain too petty. A big coconut landowner complains: "Of course, my tenants cheat me. They gather nuts on their own, and sell them secretly so that I do not get my share of the money." A bus conductor complains: "The hardest part of my work is to fight the passengers, especially those who try to fool me. Some give me a fare of 50 centavos, and 30 minutes later, while I'm busy with new passengers, they tell me I still haven't given them their change for five pesos. Sometimes it's done in fun, to see if they can get away with it; but when I'm shortchanged, I have to pay the difference out of my day's wages."

Aware that their predicament is shared by many others, Filipinos accept abuse not only with tolerance, but sometimes with understanding. Poll, a car mechanic, has accepted and even resolved the cop who solicits protection money from his garage: "I don't really blame these corrupt policemen—I know their lives are not easy either. Some of them keep

many women, so they are forced to take from others because their salaries can't maintain all their wives."

"Some of them are useful—like the cop we take care of; he has helped us secure papers and licenses from city hall. Life is like that, you know. If you cooperate, others will cooperate with you. If you help others, they'll help you."

A Key Value

The policeman sees the situation in a similar manner: "I catch a violator, and he pleads for mercy. Now, who is the man who cannot forgive when someone begs and almost weeps before him? I forgive him. And naturally he wants to show appreciation for the favor done. Showing appreciation is a natural feeling. Will I say, 'No thank you' and leave it at that? If I refuse the money, it might make the other person feel that I am too proud, and anger him."

Even in a more sophisticated business environment, accommodation is a key value on which people operate, whether it is accommodating a hint for a commission that will clinch a business deal, or accommodating a client's request to put a poor relative on the payroll. For Dunle, a marketing man, "Doing business is mainly a matter of talking to people, pleasing them. Like, just last week, I joined the Muslim religion, because my Muslim clients in the south wanted me to become a Muslim. I had to do that, see, because I didn't want to offend them."

"Here, business habits are based mainly on personality—like, I'm a friend of this fellow, or he's kind to my children, or he's generous to my mother-in-law—so why shouldn't I buy from him? It's not very professional, you know."

While they work in this kind of environment, Filipinos somehow manage to retain pride in their work. When Louisa explains how she gets her laundry clean, you know you are listening to a true story: "Most people get their clothes dirty in the sleeves, collars, collar, buttocks, knees, and ankles cuffs. So I scrub really hard in these places, and rinse with plenty of water."

"Laundromat women are not all the same, you know. Some just rush through their work, they want to finish right away and get their pay. But if you want to keep your customers, you have to do a really clean job. My customers say I always add plenty of vegetables, so everyone can eat. On paydays, we have meat—half a kilo. Items like sugar, soap, coffee, cooking oil; I buy these in small quantities every day—just enough for the day, so nothing is wasted."



Filipino children mug for the camera.

parents send from the province. On this I feed eight people: my two sisters who stay with us, my husband and I, my four children. I buy fish and vegetables; the fish I cook for supper, when my husband eats with us. I always add plenty of vegetables, so everyone can eat. On paydays, we have meat—half a kilo. Items like sugar, soap, coffee, cooking oil; I buy these in small quantities every day—just enough for the day, so nothing is wasted."

Payday

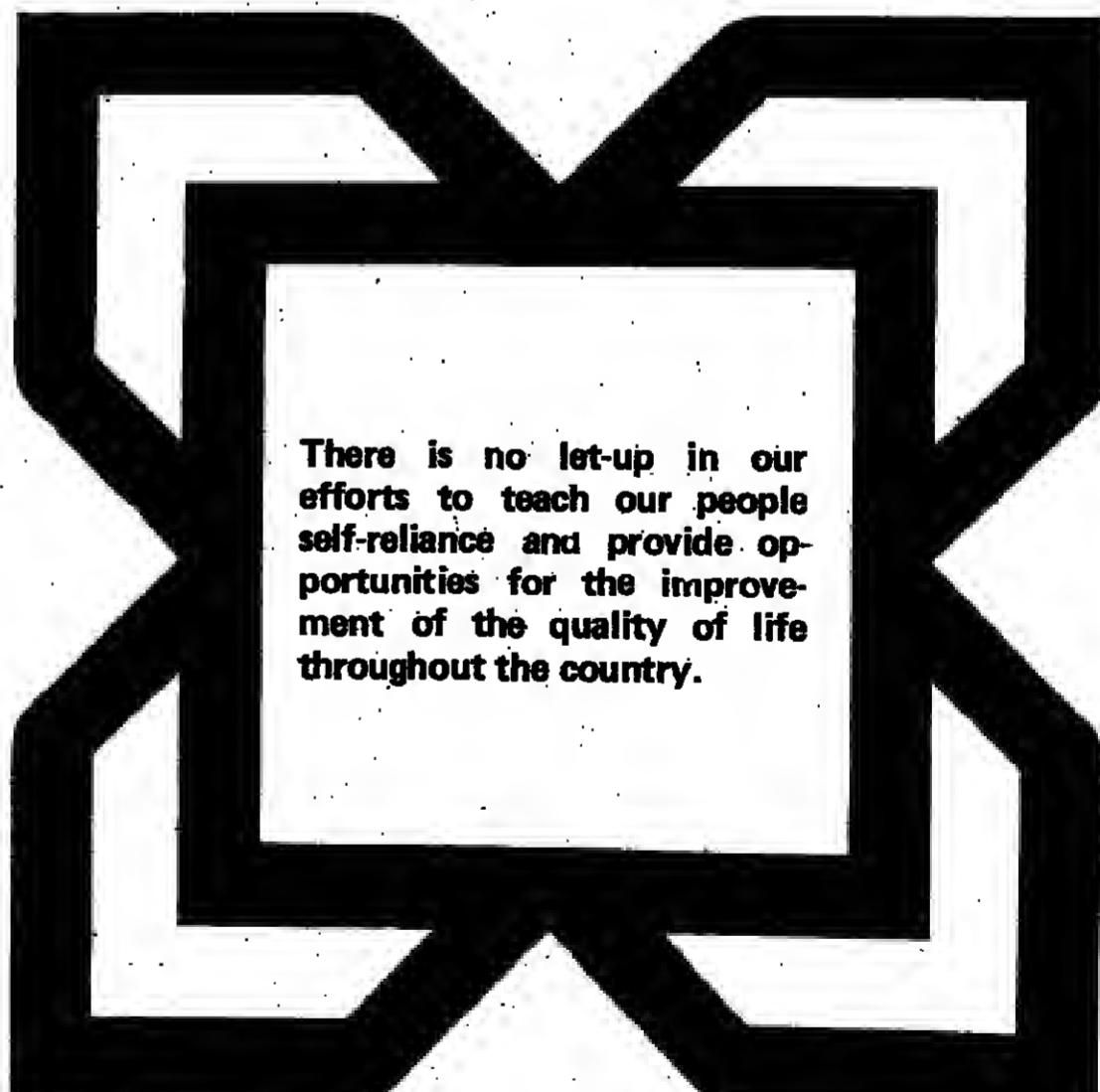
However, a job well done does not necessarily mean a more equitable wage. How does one live on a Filipino salary?

Flo's husband is a company driver. "His salary is really small," she says: "On the 15th, he gets P188, because they deduct social security and Medicare. On the 30th, he gets P200, that includes his P50 inflation allowance. I pay P350 every payday for this shack. And then I repay my debts from the store. My budget for debts is P50 each payday, for items I borrow when there is no more money just before payday."

"My budget for food is P5 a day, not including rice, which my

real life, Filipinos have sharply focused their sights on little pleasures that they can enjoy. For Iloy, a church caretaker: "My only luxury is to sleep inside the cool church on a hot afternoon." For Mando: "Farm ing is good because of the kinship that exists among the farmers." For Flor: "When I see that my children are not sick, and they are not quarreling among themselves, I am already happy. And also sometimes, when I can take my children out of the house, have some recreation with them, go to the park—that makes me feel good inside all ready."

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Culture: 'Getting to Know a Filipino is Like Peeling an Onion'

By Alice C. Villaloid

MANILA (UPI)—The awards night of the all-Filipino film festival on Jan. 2 lived up to its advance glamour billing as the stars of the local box office dressed in their best silks and velvets, came to their places inside the grand ballroom of the Philippines Plaza Hotel. But as the awards committee announced the citations, faces turned sombre, some movie directors shouted "foul," and the ribesome Hilda Cortes walked out of the hall, her fellow screen stars trailing behind.

The tempest was spawned by the citations. For in singling out nine winning films, the government-backed jurors publicly castigated other entries as "falling the test of common sense," and then, in the same harsh language, proceeded to criticize the winners. For days afterward, the best known Filipino movie directors publicly deplored the jurors' verbal assault on their work, questioning the standard of "authentic Philippine reality" at best a controversial one. One director angrily returned his award and the festival committee then tried to salvage the situation by nullifying all the awards.

The furor over the recent film festival illustrates the deep divisions in the Philippine national psyche and the determined effort of local historians, artists and social scientists to heal these wounds and bring about cultural unity. Thoughtful Filipinos are trying for common forms—a Filipino film, native theater, a national language, Filipino dance and music—hoping these will crystallize a national consciousness.

Two Kinds

"There are at least two kinds of Filipinos," said writer-historian Armen Guerrero Nekpol in a recent interview. "In the case of the film festival, the jurors are following very modern criteria while the movie directors and their sympathizers were looking at the matter from a traditional point of view." Francisco Sionil Jose, novelist



Manilians staging a mountain folk festival.

and book publisher, traces the gap to the rural setting in which the majority of the 43 million Filipinos live as against the urban milieu in which the educated leadership operates. "There will always be two cultures. There will be the city artists who will be read or seen by a few and the popular entertainers who will influence the many," he said as he relaxed in his book-lined office above the Solidarnidad Bookstore that he operates. He himself is a reminder of that rural-urban gap. Some years back, he wrote a charming novel entitled "The Pretenders," portraying the conflicts of life in his rural hometown of Rosales, Pangasinan. Lately, he has addressed only the intelligentsia in Manila.

Jairus Bulaog, a Jesuit sociologist, calls their prevailing Filipino Christianity a split-level faith. While anthropologist Eric Cañio writing in the scholarly

Western way of life. Yet, there are many others who desire a return to precolonial moorings and look to Asia and the Middle East for guidance.

Indeed, aside from intellectual and affectional differences, the tribal or regional divisions that the Spanish colonizers found here in the 16th century have persisted as etchings underneath the national consciousness. A tragic result of the lack of national unity is the bloody insurgency of the two-million-strong Muslim community in the southern region. To date it has cost 30,000 lives.

Western Culture

Strong links with Western culture that developed over more than three centuries of Spanish rule followed by a half century of American tutelage have resulted in millions of English-speaking Christianized Filipinos who like Western values and the

government initiative in sponsoring literary and artistic competitions and in building art centers and museums.

Mrs. Imelda Romualdez Marcos has supported the revival of ethnic arts and pioneered artistic displays. She built the two handsome theaters on the reclaimed fringe of Manila Bay and the National Art Center on a hilltop in Los Baños, south of Manila. Leading Filipino artists have staged their creations at these centers. Once or twice a year, Mrs. Marcos sponsors the performance of a world figure like Rudolf Nureyev or Van Cliburn in Manila.

The private cultural effort is equally dynamic. Big business families in Manila are setting up museums and contributing their private collections of antique Chinese and Indo-Chinese porcelain, carvings and paintings. Some research grants in history, folkways and social mores are now available. Ethnic festivals like the Ati-atihan of Panay Island, a costumed parade and dance woven around the worship of the Christ child, have been held in Manila and other cities in an effort to popularize them. Town bands playing simple tunes, once the staple form of entertainment, had been losing their clientele to rock from the juke boxes. A deliberate effort to revive these bands is now underway.

Mats and Baskets

"We must look at what is here, could in itself be considered an indication of the lack of national unity. Some feel that President Marcos needs authoritarian control to continue with his program because he has not persuaded a significant sector of the population that the programs will in fact better the lot of the majority.

Thus the government is as eager as the private citizens to understand the causes of these gaps and promote a common culture. While authoritarian control has had a dampening effect on creativity—some writers claiming they write but do not publish and others who publish sometimes conveying a quiet dissent in their works—on the whole, this dampener is compensated by the



Bayanihan folk dances—Preserving the legends of the race.

recently overseeing the restoration of 18th and 19th-century churches and mansions with a view to preserving the past as well as reviving the skills of the Filipino artisans who built these landmarks under Spanish supervision.

In music and dance, local legends are being translated into modern compositions. The Ballet Federation of the Philippines, at its last annual presentations, featured dance sequences illustrating rural courtship and marriage practices. Opera companies have presented local romances alongside such classics as "La Gioconda" and "Madame Butterfly."

Drama groups, until recently obsessed with English productions attractive only to academic circles, are reaching out to the wider audiences that patronized the "varietés" and the "mormors," native farcical plays. To take the stiffness out of playgoing, the new drama groups are

using informal auditoriums like neighborhood plazas or the old barracks at historic Fort Santiago. Late January, at the fort, the "Pete Eddington Ensemble" presented a translation of Berlin Brecht's "Caucasian Chalk Circle" in Filipino, the national language, to enthusiastic audiences.

Native Language

Whether these cultural strivings should mean the abandonment of English in favor of the native language is being debated here. The enthusiastic acceptance of Filipino translations of theater classics and the well-known box office ratings of Filipino films are cited as proof of wider audience rapport when the native language is used. In fact, English is no longer used for teaching most subjects in the lower elementary grades because of research findings that Filipino children grasp basic concepts better when these

are imparted in the native tongue. Science and mathematics are the exceptions since there are no suitable Filipino textbooks. As to abandoning English in higher grades or in professional and business circles, many influential Filipinos disagree. "Since we have long enjoyed a headstart in the knowledge of English over other peoples in the region, we would be inexplicably improvident to give up this advantage on sentimental grounds alone, ignoring all pragmatic considerations," argues writer-diplomat Salvador P. Lopez.

Many Filipinos resolve the dilemma by resorting to a halfway measure when among friends or at informal gatherings. They use what is known as "Taglish," a blend of native Tagalog and English. Thus, in describing the current preoccupation, one would say, "Talaga, culture vultures tayo nayang," roughly translated, "Really, we are culture vultures these days."

The Department of Trade announces official Philippine participation for 1978 in 23 International Trade Fairs and Expositions

I. General Trade Fairs

A. Middle East

Tehran International Trade Fair
Tehran, Iran
September 19–October 1, 1978

Tripoli International Trade Fair
Tripoli, Libya
March 1–20, 1978

B. Socialist Countries

Leipzig International Trade Fair
Democratic Socialist Republic
Leipzig, East Germany
March 12–19, 1978

C. European Economic Community

Milan International Trade Fair
Milan, Italy
April 13–22, 1978

Brussels International Fair
Brussels, Belgium
April 29–May 15, 1978

Paris International Trade Fair
Paris, France
April 29–May 15, 1978

D. Asia

Osaka International Trade Fair
Osaka, Japan
April 19–30, 1978

The ASEAN Trade Fair '78
Metro Manila, Philippines

Africa

Nairobi Show
Nairobi, Kenya
September 27–October 1, 1978

Oceania

Asean Trade Display
Sydney, Australia
October 23–28, 1978

II. Specialized Trade Fairs

Middle East

Construction Furniture and
Decoration Fair
Tehran, Iran
June 15–18, 1978

European Economic Community

27th International
Nuremberg Toy Fair
Nuremberg, West Germany
February 9–15, 1978

International Gifts Fair
London, England
August 1978

Frankfurt Autumn
International Fair
Frankfurt, West Germany
August 27–30, 1978

Berlin Partners
for Progress
Berlin, West Germany
August 31–September 4, 1978

Igedo International
Fashion Trade Fair
Dusseldorf, W. Germany
September 14–15, 1978

Cologne Fair for
Children and Young
People—Cologne
West Germany
October 13–15, 1978

HOOT International
Trade Exhibition
Rotterdam, Netherlands
October 18–22, 1978

Salon Internationale
du Prêt-a-Porter
Paris, France
October 21–25, 1978

Salon International de
l'Alimentation (SIAL)
Paris, France
November 13–18, 1978

Brussels International
Furniture Show
Brussels, Belgium
November 1978

C. EFTA

Jim-Er Salzburg Fair
Salzburg, Austria
September 1–3, 1978

D. ASIA

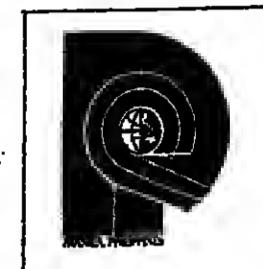
Sibex 1978
Singapore
March 15–18, 1978



There are many ways to reach us to do business. The Philippine Pavilions, The Philippine Houses, and the offices of the Commercial Attachés in Philippine embassies.

For further information, write to: Office of International Fairs and Expositions, Bureau of Foreign Trade, Department of Trade, 6th Floor Filcapital Bldg., Ayala Avenue, Makati, Metro-Manila, Philippines; Tel. Nos. 863-145; 863-526; 861-811; Telex - 5466 Sectrade; 3285 DTrade Cable Address - Sectrade Manila

Philippine International Convention Center



THE PLACE IS HERE AND THE TIME IS NOW FOR THE WORLD TO COME, THINK, TALK TOGETHER.

Before 1976, holding an international conference of 3,000 would have been difficult in Manila. But now, we have the Philippine International Convention Center, the heart of all the modern convention facilities that Metropolitan Manila offers to convention planners, regional or international.

The Philippine International Convention Center (PICC) was built in September 1974, a little more than two years ago to answer the many needs of an emerging metropolis. These needs were a consequence of the new role that the Philippines was shaping for itself among the emerging new countries of the Third World. The need to create the right business climate as a financial center. The need to cope with the increasing tourists. The desire to create a venue for creative art and culture. And the need to improve the lot of the urban poor in Metropolitan Manila.

This aspiration has found expression in many concrete terms. For the PICC is the most eloquent language of a people who desires to relate itself harmoniously with the rest of the humankind.

With a rich history that links the country with its Asian neighbors, the Philippines blends beautifully its Malay beginnings with the influences of the Spanish and the Americans. Hence, a people that presents the unique Asian qualities of warmth, hospitality and friendship.

TODAY, more than ever, the desire to relate and live with others has found its true expression. The Philippine International Convention Center articulates that expression to invite people from different parts of the world to come and get together.



An aerial view of the Philippine International Convention Center (PICC) located on a 12-hectare reclaimed land by the sea along Manila Bay.

No other convention center has been so designed to fulfill the needs of a conference, international or regional. And no other convention center exudes as much warmth and beauty to placate minds and soothe hearts.

Rising magnificently on a 12-hectare land reclaimed from the sea, the PICC is a spectacular structure no convention planner can afford to ignore.

Designed by Leandro V. Locsin, a leading Filipino architect, the PICC is a sculptural interplay of solid, steel-reinforced concrete masses, accented with bronze tinted glazings,

balanced and proportional on all sides. Its total floor area is 87,368 square meters.

Its massive look from a distance contrasts with the beauty and warmth of its interiors, which use to a great extent shades of orange and brown, complementing the lavish use of Philippine mahogany.

The PICC combines four modules—a three-story Plenary Hall which seats 5,000; a Reception Hall for elegant socials; a five-story Delegation Building and a three-story Secretariat Building.

It takes more than an hour to complete a

tour of the PICC. On entering the main entrance, facing the city of Manila, one sees the main lobby adorned with huge chandeliers made of around 3,000 bulbs suspended through an aluminum tube from the ceiling.

The Plenary Hall, with an area of 3,320 square meters, accommodates 4,832 conventioners. It has 1,456 flexible seats, 264 seats with tables and 3,103 tiered seats, a superimposing three-level arrangement designed for both comfort and elegance.

The Reception Hall, made up of two floors, is the single largest room of the Center. It

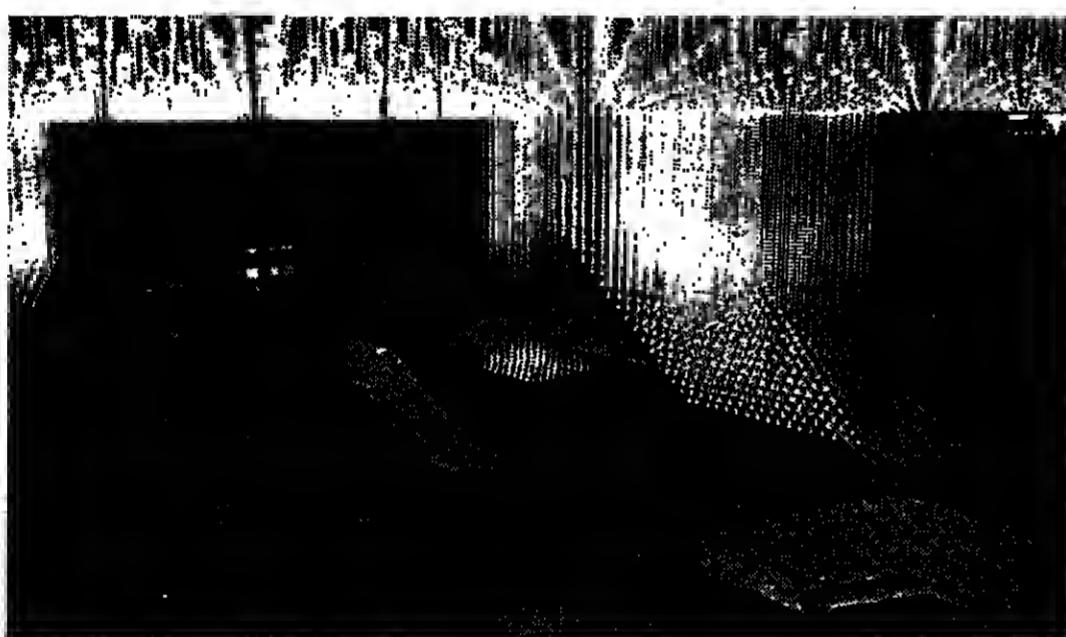
occupies 5,199 square meters, resplendent in red carpet and ablaze with the most breathtaking chandeliers that lend the atmosphere of romance and elegance for any social gathering of 4,000 to 5,000 guests—formal dinner or receptions. In the same building as the Plenary Hall is the Exhibition Hall and the Audio-Visual Room, an area devoted to an audio-visual presentation of the Philippines to visiting guests and conventionees. In less than a hour, one gets to see the beginnings of a country, its rich cultural past and the vast potentials of its resources, the land and its people singing their aspirations, all captured in 15 screens using 30 projectors and 12,000 slides. This moment of experience throbs with consciousness and admiration for a people that fought so well to earn what it now enjoys.

The Delegation Building consists of delegation offices, executive suite and service center like banking, postal, information and assistance center and a souvenir shop.

The Secretariat Building houses 17 secretariat offices with flexible partition convertible to an exhibition area, a cafeteria for 774 people, a banquet hall, a dining room and a delegates' lounge. There are also seven meeting rooms with capacities of between 150 to 500 people. There are other facilities to cope with all the requirements for any type of conference.

All conference areas are fully equipped with the most sophisticated devices for simultaneous language interpretations through fixed and wireless systems. Television facilities are done through satellite multimedia hookup telecasting facilities direct from the convention center to its audience. There are projectors and screens in every meeting room, sound broadcasting and recording.

The Philippine International Convention Center is strategically located to enable any conventioneer to reach his hotel within five to fifteen minutes. It is ten minutes away from the airport, and ten to fifteen minutes to any shopping center. Along Roxas Boulevard where it is located are strings of restaurants and night spots that provide a unique experience for getting into the many unforgettable memories of having been in the Philippines.



Delegation Building with its impressive main lobby lighted by chandeliers of 3,000 light bulbs each hanging on aluminum cylindrical bars falling magnificently like rain.



Plenary Hall has three super-imposing levels that can accommodate around 5,000 delegates and observers. Above photo was taken during the IMF-World Bank Conference.



Reception Hall is the largest principal room of the PICC in area and capacity. Photo was taken during one of the receptions held for the IMF-World Bank delegates.



The Secretariat Building has several meeting rooms, designed to accommodate big or small conferences. Photo shows a typical meeting room good for 300 people.